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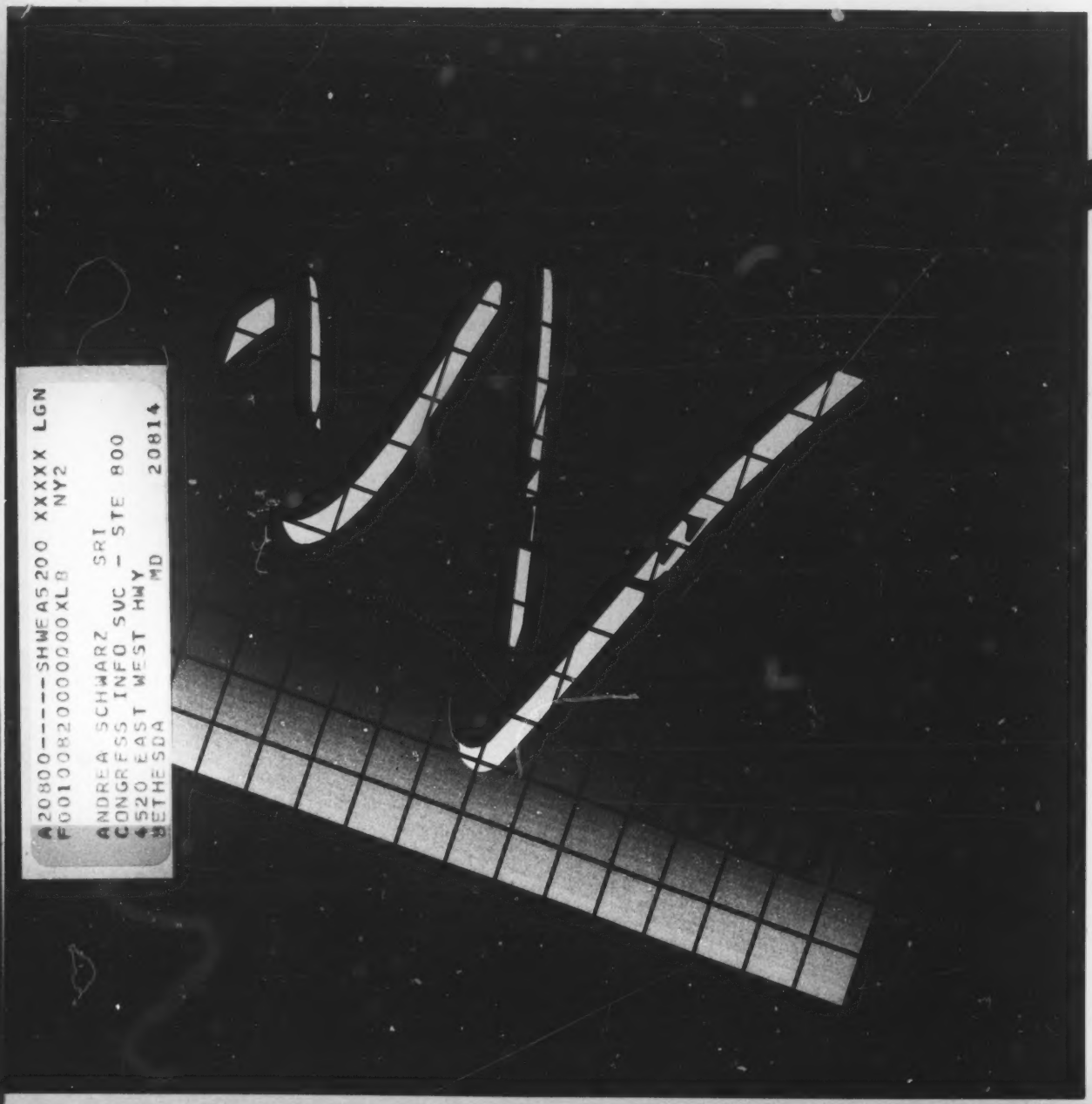
NOV/DEC 1988

Lawn&Garden Marketing™

An Intertec publication

Reports on: Top 100 gardening markets

OPE economic forecast • NLGDA convention



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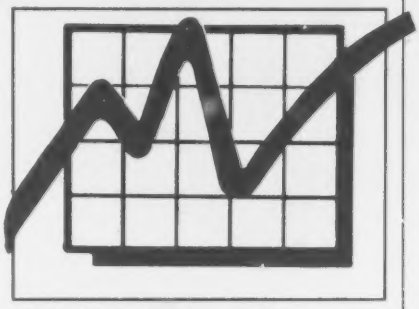
Plastics, 4

Worth a Look, 8



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Did you know?

Lawn & Garden Marketing has published annually the results of the National Gardening Assn./ Gallup survey in this issue. However, due to the industry's increased emphasis on autumn sales, the survey of U.S. household participation in L&G activities has been extended into October and November. Thus, the results—more comprehensive than ever before—will appear in the February 1989 issue.

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Feedback

Compiled by Gina Kellogg Hogan, *associate editor*

Now that the winter months are nearing, the hot, painfully dry summer may seem only a distant memory. But according to analysts in the lawn and garden business, it is a summer that will not easily be forgotten; in fact, some say effects will be felt for several years.

Comments from retailers responding to *Lawn & Garden Marketing's* August drought survey remind us that we weren't the only ones suffering. Many comments point to topics that need to be considered for future problem years.

A recurring complaint by respondents was the lack of attention from the government on lawn and garden businesses. Since this industry is equally as dependent on weather as farmers, many retailers felt some aid should have been offered to them.

Claude Greenway, president of Pekin Small Engine Service Inc., Pekin, Ill., said, "The U.S. bails out farmers but totally forgets other businesses are affected too." C.E. Williams, Delphos Power Equipment, Delphos, Ohio, said, "In our area, the farmers received government subsidies for their loss. But we got nothing and had to borrow money to stay open."

But Don Hustad, A.P. Hustad Implement Co., Alexandria, Minn., believes that whether a business fails or remains open is up to the owner. Hustad received a letter from his senator asking his opinion on whether businesses should receive financial aid through the Small Business Administration. "If the government intervenes where a risk of loss is, it soon will intervene where profits occur," Hustad said. "I believe it is important for suppliers to provide floorplan terms liberalization."

More than a few respondents—mostly power equipment dealers—had grave concerns about whether their businesses could remain open as a result of drought losses. A Wilmilton, Ohio, power equipment respondent said, "I hope [the drought] doesn't repeat. I could not sustain the business through another season like this. Of course, we still have to survive winter. A rainy fall and winter could bankrupt us." Another said he would have to give second thoughts to staying in the lawn and garden equipment business.

Yet another, Raymond A. Dobosh, Dobosh Service Center Inc., Pittsburgh, Pa., said, "After a poor winter—very little snow—[the drought] might be the final nail in the coffin."

Marketing strategies saved other retailers from misfortune. Tony Hanners, Hanners Small Engines, Hartford, Ala., said, "[The drought] was a bad time, but with positive thoughts, advertising and buying, I have at this time [in mid August] already made up what loss I had. What really helped me was that I didn't give up my advertising or buying new stock. I sold 35 mowers [in just one week in August]! I have had to order more Echo trimmers."

Keeping close track of inventory saved a power equipment respondent in Vincennes, Ind. Sam Williams said, "Due to an extensive bookkeeping system, I saw a downward trend as early as April, so I tightened my belt and started cutting corners, and as a result, I didn't get hurt bad at all."

Many garden centers took advantage of the unfavorable weather to give suggestions to their customers because, as one garden center respondent said, "The public does not realize the drought toll on plants, trees and evergreens through drought stress." Another offered the suggestion that a "grass-roots" effort might be helpful in educating consumers. "We need to do more to educate the customers and the public on water conservation and plantings under various conditions, including drought-tolerant plants, proper irrigation, proper plant care and recognition factors causing plant stress."

Joan and Michael Mount, owners of Green Things Nursery, Grofino, Ind., said, "One of the hardest areas of sales is to convince the public of the necessity of nutrient levels...being maintained during drought conditions, enabling plants to resist the natural enemies of disease and insects." Convincing the consumer that such knowledge is essential, they said, "would be of great value in dealing with the retail public when faced with weather adversities."

Although some respondents noted a concern about the "Greenhouse Effect" as the probable cause for the drought, at least one respondent blamed the human race in general. "God is punishing us for our ways of life," said the Latrobe, Pa., garden center respondent.

Others were less critical. "I feel so hopeless," said one. "It's in God's hands. Only he can change it." A Clinton, Iowa, power equipment respondent said, "God has blessed us for so many years. I try to take this opportunity to encourage our customers to persevere and trust our creator. Know that better times will return."

When respondents were asked how specific aspects of their businesses had been affected by the drought, 78 percent said they saw a sales increase in at least one product category; 20 percent said they saw no increase; 2 percent didn't answer. Sixty percent said watering restrictions were imposed in their areas; 40 percent said no restrictions were imposed. Sixty-five percent said the drought had added to monthly costs; 32 percent said it had not. Most respondents who experienced increased costs cited watering and air conditioning. **—LGM**

How the Drought affected marketing strategies

Lawn and garden retailers said they made one or more of these marketing changes as a result of the 1988 Drought:

Marketing change	Percentage of retailers
Delayed restocking	70%
Decreased personnel	45
Advertised less	42
Shortened store hours	26
Advertised more	17
Offered more professional advice	16
Changed guarantee policy	4
Closed for the season	1

Source: *Lawn & Garden Marketing* August 1988 survey. Based on 394 responses from four categories of retailers (multi-department stores, garden centers, hardware/home centers and power equipment dealers).

Kawasaki to begin OPE engine production in U.S.

Kawasaki Motors Corp., Shakopee, Minn., purchased the former Uniroyal manufacturing facility in Maryville, Mo. The company made the purchase in order to carry out its business philosophy that products should be produced near the customers who purchase them.

The company plans to convert the 240,000 sq. ft. plant into a gasoline-engine manufacturing facility by fall of 1989. Annual production at the plant is estimated to be 200,000, with the engines produced there distributed worldwide.

Portable power association forms in Canada

The Canadian Portable Power Equipment Mfrs. Assn. formed after an organizational meeting in early October. The group will have headquarters in Toronto.

Organized to provide services to manufacturers who do business in Canada, the association plans to work closely with the Portable Power Equipment Mfrs. Assn. in the United States to address common industry problems.

CPPEMA plans to establish a monthly statistical program that will cover chainsaws, string trimmers, brushcutters, blowers and generators. Other goals include the establishment of a technical advisory committee that will assist in the development of both domestic and international voluntary product standards and the monitoring of government actions that could impact members and the products they produce.

The association's officers are: chairman, Fred Whyte, Stihl Ltd.; vice chairman, Bill Farrell, Husqvarna; treasurer, Rick Vandekieft, Echo Ltd.; president and secretary, Don Purcell, PPEMA president.

The association's address and phone number was not available at press time.

Wards to adjust service contract claims

In response to charges by the Federal Trade Commission, Montgomery Ward & Co., Chicago, signed an agreement to adjust its service contract claims, according to an article in *Advertising Age* magazine. The FTC says Wards overstated the need for service on several of its appliances, including lawnmowers. Wards' agreement admits no wrongdoing.

OPE repairs down as a result of the Drought

Nearly 70 percent of OPE dealers indicated sales of replacement parts were adversely affected by the 1988 Drought; 87 percent of OPE dealers indicated their servicing business also was affected negatively and just how much:

Repair business down	% responding
Less than 10 percent	1%
10 to 14 percent	5
15 to 24 percent	13
25 to 49 percent	32
50 to 74 percent	20
75 percent or more	11
Down but percentage unavailable	5
Total	87%

Source: *Lawn & Garden Marketing* August 1988 survey. Based on percentage of 225 power equipment dealers indicating repairs down.

Briefs

• **Snapper Power Equipment,** McDonough, Ga., was honored recently when one of its early walk-behind mowers was chosen to be displayed in the Smithsonian Institutions' National Museum of American History. The Snappin' Turtle lawnmower was built around 1950.

• **Inertia Dynamics Corp.** has begun construction on an 82,000 sq. ft. addition to its manufacturing plant in Chandler, Ariz. Upon completion, the facility will increase manufacturing space to more than 150,000 sq. ft. at that location. The new building will allow the company to meet demand for its weed trimmers and blowers, as well as production capabilities for new products. A second phase of construction is planned that would add another 60,000 sq. ft. by the end of 1990. A third phase is planned that will include new offices and up to 150,000 sq. ft. of manufacturing and warehouse space.

• **Dixon Industries,** Coffeyville, Kan., is offering its dealers a new credit plan. The Blue Line credit plan, which is partially subsidized by the company, allows dealers to offer their customers 90 days free financing and special fall promotions.

• The Outdoor Power Equipment Institute has added flexible line trimmers to the list of products surveyed in its Retail Sales Program. Information to be included in the monthly report includes brand name, price paid, where purchased, type of power and more specifics about the actual tool.

• Power Tool Co., Johnson City, Tenn., is a new **Echo Inc.,** Lake Zurich, Ill., distributor.

• Stephen H. Rugg has been named vice president-marketing and planning for **Briggs & Stratton Corp,** Milwaukee. In other news, Ron Miskelley has joined the company as marketing manager for the lawn and garden division.

• Richard Montgomery has been appointed service manager for **RedMax,** Norcross, Ga. He will be responsible for organization and implementation of the company's dealer registration program and the administration of the company's warranty procedures.

Top 100 gardening markets

A new study published by Standard Rate & Data Service, Wilmette, Ill., *The Lifestyle Marketplanner*, gives retailers a better fix on the gardening customer and his allied interests. The study—and information contained in the chart below—is based on data gathered by the research firm National Demographics & Lifestyles, Denver. Gardening is just one of 50 activities measured.

The Lifestyle Census[tm] is a statistical sample of one in three U.S. households. Data is collected over a 12-month period through questionnaires packaged in a variety of consumer products.

Each lifestyle is analyzed in terms of key household demographics and related hobbies and interests. Data is based on a head of household reporting that one or more adults participate in that activity on a regular basis.

Results from the surveys indicated that active gardeners are most likely to be in the 55-64 year age group. The other active-gardening age groups are: 65 years or older and 45-54 years old. Children from 11 to 18 years old are likely to be gardeners; 18-44 year olds are least likely to be active gardeners.

Other results show active gardeners are most likely to own their own homes, be married and belong to one-income households of $40,000-49,999 annually.

Ten lifestyle activities gardeners are most likely to participate in: home furnishing/decorating, home workshop, sewing, wildlife/environmental, crafts, fine art/antiques, collectibles/collections, needlework/knitting, community/civic activities, gourmet cooking/fine foods.

Retailers who understand which consumers are most likely to be gardeners can fine-tune marketing strategies to reach them. Retailers who understand what other interests these gardeners are most likely to be involved in may be able to increase sales with stock of allied lines as well. —LGM

Top 100 gardening markets is one of 50 lifestyle activities analyzed in *The Lifestyle Marketplanner*, which is published and copyrighted by Standard Rate & Data Service Inc. This portion is reprinted with permission of SRDS. For more information, or to purchase the complete study, contact Marilyn Cygan, SRDS, 3004 Glenview Rd., Wilmette, IL 60091, (312) 441-2145.

	Area of dominant influence	% of penetration	Projected population	Rank
1	New York, NY	28.51	1,973,679	98
2	Los Angeles, CA	32.05	1,418,616	96
3	Chicago, IL	33.14	1,026,915	90
4	Philadelphia, PA	35.82	952,085	75
5	Boston, MA	33.68	694,380	89
6	San Francisco, CA	36.42	779,672	64
7	Detroit, MI	36.42	620,474	65
8	Dallas-Ft. Worth, TX	34.25	553,053	86
9	Washington, DC	32.89	524,023	92
10	Houston, TX	34.20	492,623	87
11	Cleveland, OH	38.30	546,896	43
12	Atlanta, GA	35.58	445,437	76
13	Minneapolis-St. Paul, MN	37.02	457,442	56
14	Seattle-Tacoma, WA	40.87	511,039	11
15	Pittsburgh, PA	36.80	468,324	37
16	Miami, FL	23.72	285,003	100
17	St. Louis, MO	36.38	397,311	66
18	Tampa-St. Petersburg, FL	32.42	388,559	94
19	Sacramento-Stockton, CA	40.08	397,934	21
20	Denver, CO	34.66	350,591	83
21	Baltimore, MD	34.51	304,864	84
22	Hartford-New Haven, CT	35.81	313,360	77
23	Phoenix, AZ	29.87	271,003	97
24	Indianapolis, IN	36.48	298,265	67
25	San Diego, CA	32.90	265,464	93
26	Portland, OR	42.88	351,009	2
27	Cincinnati, OH	36.92	265,553	59
28	Kansas City, MO	36.55	263,697	68
29	Orlando-Daytona Beach-Melbourne, FL	35.87	260,720	78
30	Milwaukee, WI	37.86	268,820	47
31	Salt Lake City, UT	40.77	238,951	12
32	Charlotte, NC	39.06	266,612	30
33	Nashville, TN	38.57	261,614	38
34	New Orleans, LA	37.37	238,301	52
35	Columbus, OH	38.11	249,868	44
36	Raleigh-Durham, NC	36.11	225,591	71
37	Buffalo, NY	39.64	244,379	23
38	Grand Rapids-Kalamazoo-Battle Creek, MI	36.22	216,467	72
39	Memphis, TN	36.34	213,405	69
40	Greenville-Spartanburg, SC-Ashville, NC	40.95	252,198	13

continued...

Top 10 gardening markets...continued

	Area of dominant influence	% of penetration	Projected population	Rank
41	San Antonio, TX	35.97	195,180	73
42	Oklahoma City, OK	38.03	231,465	48
43	Norfolk-Portsmouth-Newport-Hampton, VA	35.19	189,942	81
44	Providence, RI-New Bedford, MA	33.34	181,438	91
45	Charleston-Huntington, WV	41.63	218,059	6
46	Louisville, KY	36.66	189,985	60
47	Harrisburg-York-Lancaster-Lebanon, PA	37.41	201,781	53
48	Dayton, OH	38.62	199,190	39
49	Greensboro-Winston-Salem-High Point, NC	39.55	199,777	24
50	Birmingham, AL	36.86	183,564	61
51	Albany-Schenectady-Troy, NY	38.08	184,436	49
52	Wilkes-Barre-Scranton, PA	40.39	197,513	17
53	Albuquerque, NM	38.86	173,536	31
54	Little Rock, AR	39.80	181,532	25
55	Flint-Saginaw-Bay City, MI	39.09	171,061	32
56	Fresno-Visalia, CA	38.93	161,525	33
57	Mobile, AL-Pensacola, FL	36.54	158,081	70
58	Tulsa, OK	38.99	176,112	34
59	Richmond (Charlottesville), VA	37.21	154,448	57
60	Jacksonville, FL	35.73	155,076	79
61	Knoxville, TN	40.88	173,025	14
62	Toledo, OH	38.04	155,852	50
63	Wichita-Hutchinson, KS	39.01	166,579	35
64	Shreveport, LA-Texarkana, AR-TX	41.48	166,664	7
65	West Palm Beach, FL	28.46	122,752	99
66	Green Bay, WI	41.06	151,661	10
67	Roanoke-Lynchburg, VA	38.73	134,995	40
68	Des Moines, IA	40.34	152,534	18
69	Portland-Poland Spring, ME	40.87	149,019	15
70	Rochester, NY	38.03	133,984	51
71	Syracuse, NY	36.70	125,115	62
72	Omaha, NE	37.72	132,995	54
73	Lexington, KY	40.50	133,613	19
74	Austin, TX	35.03	119,105	82
75	Springfield-Decatur-Champaign, IL	36.79	124,542	63
76	Paducah, KY-C. Girardeau, MO-Marion, IL	41.67	139,687	8
77	Cedar Rapids-Waterloo-Dubuque, IA	40.27	131,569	20
78	Palm Springs, CA	38.33	123,006	45
79	Davenport, IA-Rock Island-Moline, IL	38.54	126,497	41
80	Spokane, WA	44.14	141,689	1
81	Chattanooga, TN	39.10	120,086	36
82	Jackson, MS	39.34	114,262	28
83	South Bend-Elkhart, IN	39.70	115,299	26
84	Columbia, SC	37.07	102,190	58
85	Springfield, MO	42.85	126,936	3
86	Johnstown-Altoona, PA	40.75	116,175	16
87	Bristol-Kingsport-Johnson City, TN-VA	42.65	119,088	4
88	Baton Rouge, LA	37.50	95,744	55
89	Youngstown, OH	39.73	110,729	27
90	Tucson, AZ	32.49	93,843	95
91	Huntsville-Decatur-Florence, AL	40.23	111,135	22
92	Evansville, IN	39.17	103,744	29
93	El Paso, TX	33.82	71,153	88
94	Waco-Temple, TX	34.82	84,155	85
95	Lincoln-Hastings-Kearney, NE	41.55	107,583	9
96	McAllen-Brownsville, TX	36.24	66,766	74
97	Greenville-New Bern-Washington, DC	38.19	86,513	46
98	Burlington-Plattsburgh, VT	41.79	96,162	5
99	Augusta, GA	38.76	84,598	42
100	Lansing, MI	35.82	78,678	80

Source: *The Lifestyle Marketplanner*, July 1988, by Standard Rate & Data Service Inc.

Areas of Dominant Influence (the "Top 100 markets") include major cities (as listed) and their surrounding cities (not necessarily listed) as defined by Arbitron. The top 100 gardening markets are ranked by greatest segment penetration, not by the greatest projected population segment. For example, in the New York, N.Y., area, there are nearly 2 million gardeners compared to only 150,000 in the Spokane, Wash., area. However, taking into consideration the total population of the New York area, gardeners only comprise 28.5 percent of that population; in Spokane, gardeners comprise 44.1 percent.

BBQ grill shipments gaining

In 1987, 63 million households used their barbecue grills 1.4 billion times. This boosted total industry sales to $6.2 million.

Typically, barbecue customers spend between $40 and $45 on a shopping trip. When they purchase a new grill, that number may double or triple, says a 1986 Barbecue Industry Assn. survey.

BIA figures say that the 13.1 million grills shipped in 1987 were valued at $586.2 million. This compares to 13.2 million units shipped in 1986 that were valued at $566.4 million. Art Seeds, BIA president, says attendees at the BIA annual meeting in October said the industry was "bullish." "Grill sales were even with or better than last year," Seeds says. Actual figures won't be in until early 1989. However, Seeds says sales of charcoal briquets, which were at an all-time high, can be used as an indicator of grill sales increases.

On the retail level, many respondents to an August *Lawn & Garden Marketing* drought survey said their sales of barbecues had been affected negatively by the dry summer. One in three hardware/home center respondents said sales had been adversely affected. Several factors related to the drought affected sales, including charcoal grilling bans in some cities.

A 1987 BIA survey of 5,000 U.S. households determined that 45 percent of grill purchases were replacements. Of those, 47 percent were charcoal grills, 44 percent were gas grills and 26 percent were electric. With these figures in mind, it helps to know who's buying which types of grills. The accompanying chart outlines buyer demographics for the grill purchaser. (For more information, see, "Interpreting the research," page 30.) —LGM

For more information, contact: BIA, 710 E. Ogden, Ste. 113, Naperville, IL 60540, (312) 369-2404.

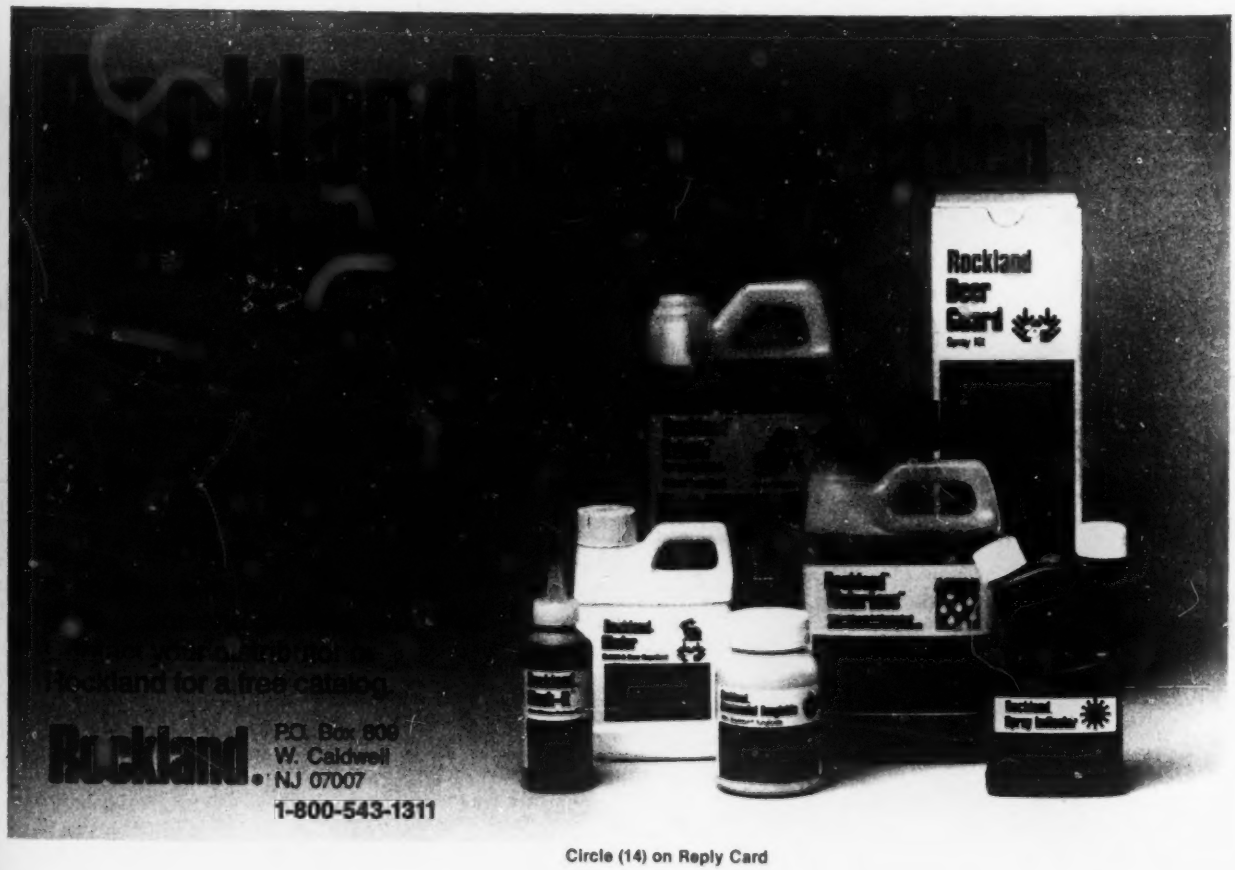
The *1986 Study of Media & Markets* by Simmons Market Research Bureau measures consumer consumption and purchasing data for more than 800 product categories and 4,800 brands. It is based on personal interviews of adults in 19,000 different households. The study is copyrighted and cannot be reproduced or distributed in any way without written permission from the company. For more information on the complete study, contact Warren Dobbs, Simmons Market Research Bureau, 380 Madison Ave., New York, NY 10017.

Consumer profile

Charcoal grills

	% above average
Geography	
Midwest	+32
Type of area	
Metro suburban	+07
Household income	
$60,000 or more	+52
$50,000 or more	+47
$40,000 or more	+39
$30,000-39,999	+30
$20,000-29,999	+11
Age group	
25-34	+10
35-44	+23
45-54	+20
Profession	
Professional	+25
Manager/administrator	+40
Tech/clerical/sales	+14
Precision/craft	+20

Source: SMRB 1987
Base group: U.S. households



Circle (14) on Reply Card

Who's buying fertilizer

The pesticide and fertilizer market had a booming year in 1987; sales reached $2 billion. While industry experts agree that sales were not affected negatively by the drought this year, exact figures won't be available until mid 1989 from Kline & Co. Kline is a market research firm that publishes an industry report each year.

Lee Reichart, vice president of Stern's Miracle-Gro Products, Port Washington, N.Y., says sales were very good at his company. "Sometimes bad weather helps our product. Even if water use was restricted or time allowed to water was limited, people would throw in a little Miracle-Gro," he says. "People still wanted to keep their small gardens looking nice."

While Reichart says sales at his company were up substantially—20-30 percent—he admits they would have been better without the drought.

Gene Wright, general manager at Greenview, Lebanon, Pa., agrees. "We were running at about a 40 percent increase earlier in the summer. But then the drought hit." He says sales slowed down in late April and "summer was a wipe out." Despite the drought, the company will see an increase of about 25 percent, he says. On a positive note, he adds that this fall was the best the company has seen.

When a harsh season, such as the drought this summer, causes sales to become unstable, using demographics to determine which customers are more likely to buy one type of fertilizer over another can help retailers remain competitive in the marketplace.

For example, the *1988 Study of Media & Markets* by Simmons Market Research Bureau measures consumer consumption and purchasing data for more than 800 product categories and 4,800 brands. It is based on personal interviews of adults in 19,000 different households.

The research includes general demographic information as well as more detailed data broken out by dollar amount spent. The demographics do not characterize the typical buyer. Instead, they characterize the group of consumers that is more likely than average to spend the indicated amount.

Some highlights of the SMRB study include statistics such as: males are nine percent more likely than the average adult to spend $10 or more on vegetable fertilizer. (Other characteristics of the adults in this category: he or she is a member of the 55-64 or 65 or older age brackets, a non-high school graduate, a Northeasterner or Southerner or a wage earner of $60,000 or more a year.)

Adults who are more likely than average to spend $20 or more on lawn fertilizer, according to SMRB data, include males, members in the 35-44, 45-54 or 55-64 age groups, college graduates, professionals or managers, Northeasterners or wage earners of $30,000 or more a year. —LGM

Interpreting the research

The *1988 Study of Media and Markets* uses an index to measure the likelihood of one demographic group over another to be owners or purchasers of a particular product. It compares the percentage that a particular demographic group represents—of the 19,000 households surveyed—with the percentage that the same demographic group represents of the total 1987 U.S. household population.

Groups that rate at the 100 index show average ownership or purchasing tendencies. Those groups that rank above 100 show that they are more likely than the average to own or purchase the product. This is indicated in the consumer profile charts with a plus (+) sign. Those demographic groups that fall below the 100 index are less likely than the norm to own or purchase the product in question and are not discussed.

Consumer profile

House plant food/fertilizer

	% above average
Geography	
South	+14
Type of area	
Metro central city	+07
Household income	
$10,000-$19,999	+07
Under $10,000	+14
Age group	
65 or older	+10
Level of education	
Did not graduate high school	+10

Lawn fertilizer

	% above average
Geography	
South	+09

Vegetable garden fertilizer

	% above average
Geography	
South	+17
Type of area	
Metro central city	+07
Household income	
$10,000-$19,999	+11
Under $10,000	+21
Age group	
18-24	+07
65 or older	+14
Level of education	
Did not graduate high school	+19

Source: SMRB 1987
Base groups: Adults who have bought in the last 12 months.

The SMRB *1988 Study of Media and Markets* is copyrighted and cannot be reproduced or distributed in any way without written permission from the company. For more information on the complete study, contact Warren Dobbs, Simmons Market Research Bureau, 380 Madison Ave., New York, NY 10017.

Portable power meets expectations

Though shipment projections were made before the summer drought, leading manufacturers interviewed by *Lawn & Garden Marketing* say that most of the 1988 projections for gasoline-powered line trimmers, blowers/vacs and chainsaws are still on target.

The Portable Power Equipment Manufacturers Assn., which made its projections for 1988 early in the year, estimated that gas trimmer shipments would reach 3,050,280 in 1988—an increase of 11 percent over 1987 figures, which are the latest available.

Rich Maguire, product manager for power tools at Stihl Inc., Virginia Beach, Va., says the PPEMA projection is probably a realistic figure, even taking into affect the drought, because most trimmer shipments went out early in the year. He based this belief, he says, on how his company has been doing in 1988 and what he has seen in the field.

"The places receiving rain in September—that didn't receive any rain before then—have had good [trimmer] sales. Not as good as in other years, but better than a normal September....Where the drought didn't have an affect, they have had a good year," Maguire says.

Carl Mikovich, president of Poulan/Weed Eater, Shreveport, La., points out that the full effects of the drought are yet to be seen. "Manufacturers could show an up year on shipments of trimmers," he says. But the movement of trimmers from the retailer to the consumer is not necessarily going to reflect these numbers. "Retail movement could be basically flat for the past year on trimmers....It's one thing to say what the shipments from the factory were; it's another thing to say what was sold through retail," Mikovich explains.

Retailers answering a *Lawn & Garden Marketing* survey agree. Fifty-nine percent of the respondents who carry line trimmers said the drought negatively affected trimmer sales in 1988.

Blowers to increase

PPEMA estimated that blower shipments would be up by 8 percent in 1988 vs. 1987 to 428,760 units.

Mikovich says blower shipments should not be affected by the drought. In fact, he estimates blower shipments will go above the 8 percent figure—to more like 15 percent, he says. If Mikovich is right, blower shipments could reach 456,550 units when the 1988 figures become available in early 1989.

Jim Witt, forecast analyst at McCulloch Corp, Tucson, Az., says he saw a positive effect of the drought on blower sales because leaves were falling off trees earlier in the season. He says PPEMA estimates on blower shipments easily will be met in 1988.

Chainsaws flat again

Keeping in step with similar projections made over the last few years, PPEMA estimated gas-powered chainsaw shipments to increase by only 2 percent in 1988 to 1,377,000 shipments.

Mikovich says, "Chainsaws were not affected by the drought."

Jack Guthrie at Stihl agrees. "Overall, our 1988 chainsaw shipments are way ahead of '87."

At McCulloch, Witt says he saw no effects of the drought on chainsaw sales either. He says chainsaw sales probably will meet PPEMA's projections and possibly increase as much as 4 percent. If 4 percent is reached, chainsaw shipments will number 1,404,000.

Consumer profiles

Retailers eager to share in 1989 increases might do well to understand more about the consumer who buys these products. At right, statistics show just which types of households are more likely than the average to own specific portable power equipment. Based on a study by Simmons Market Research Bureau, the *1988 Study of the Media and Markets* measures consumer consumption and purchasing data for more than 800 product categories and 4,800 brands. It is based on personal interviews of adults in 19,000 different households. (For more information, see, "Interpreting the research," page 30.) —LGM

For more information, contact: PPEMA, 4720 Montgomery Lane, Ste. 514, Bethesda, MD 20814, (301)652-0774.

The SMRB study is copyrighted and cannot be reproduced or distributed in any way without written permission from the company. For more information on the complete study, contact Warren Dobbs, Simmons Market Research Bureau, 380 Madison Ave., New York, NY 10017.

Consumer profile

Gas trimmers

	% above average
Geography	
South	+31
Type of area	
Metro suburban	+14
Non-metro	+27
Household income	
$60,000 or more	+64
$50,000 or more	+59
$40,000 or more	+64
$30,000-39,999	+40
Age group	
35-44	+22
45-54	+38
55-64	+15
Profession	
Manager/administrator	+53
Precision/craft	+47
Level of education	
Attended college	+28

Gas chainsaws

	% above average
Geography	
Midwest	+35
Type of area	
Metro suburban	+14
Non-metro	+48
Household income	
$60,000 or more	+49
$50,000 or more	+50
$40,000 or more	+43
$30,000-39,999	+32
$20,000-29,999	+17
Age group	
35-44	+21
45-54	+23
55-64	+31
Profession	
Manager/administrator	+32
Precision/craft	+48
Other employed	+16
Level of education	
Graduated college	+07
Graduated high school	+11

Source: SMRB 1987
Base group: U.S. households

Patio shipments top $900 MM

Shipments of U.S.-manufactured casual furniture in 1988 should grow by 6 percent in dollar value over 1987, to $900.2 million, says Martin Reddan, director market research for the Summer & Casual Furniture Mfrs. Assn.

In 1987, SCFMA estimates shipments as having grown by 6.8 percent, reaching $849.2 million. When import shipments are included, the industry topped $1 billion for the first time in 1987—the latest year figures are available.

Tubular aluminum ranks as the largest category, growing from $364.5 million in 1986 to $373.8 million in 1987.

While shipments grew more than 10 percent in 1986, Reddan says one reason for the smaller growth percentage in 1987 was the U.S. economic situation. The prime furniture-buying age group—in most cases the first-time home buyer—didn't have the discretionary income to purchase the product in 1987, he says.

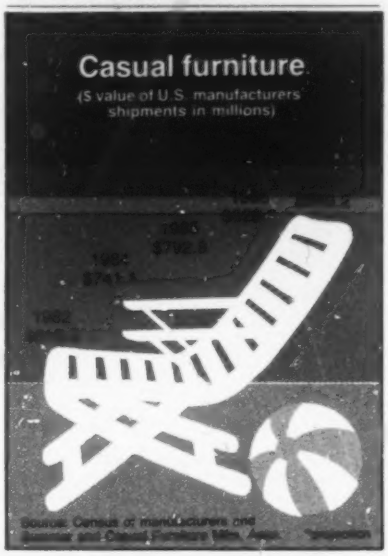
Although 1988 actual figures are not yet available, Richard Losciale, director of sales and marketing for Allibert Inc.'s Holiday line, estimates total sales for the industry at greater than $2 billion. Allibert is located in Stanley, N.C.

Reddan says the hot weather had an effect on sales this year. "The retailers said their sales were good early on in the summer," he says. "But July, which is normally a slow sales month but a big use month, was completely dead."

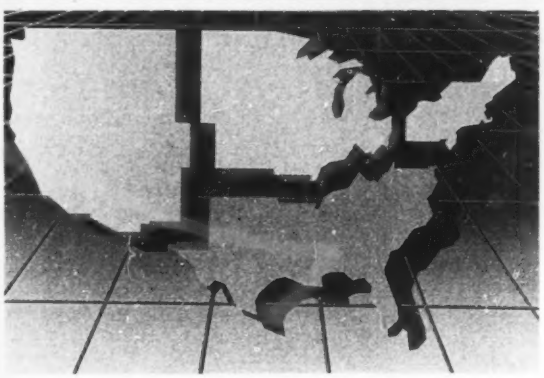
Yet Losciale points out a positive outlook in the market. "Sales [by lawn and garden retailers] have doubled in the last five years, and we expect them to double again by 1990," he says. One of the trends Losciale sees is more customers looking to buy step-up products. "With the growing sophistication of the molded resin design and of customers interested in purchasing casual furniture, the industry is going to be seeing more need to have step-up pieces and collections so lawn and garden dealers can offer something different than the discount store down the block."

Looking toward 1989, Reddan says there is confidence in the industry that the positive economic climate will continue and the weather will improve to make another strong year for the casual furniture market. —LGM

For more information, contact: SCFMA, P.O. Box HP7, High Point, NC 27261, (919) 884-5000.



Product Movement Report



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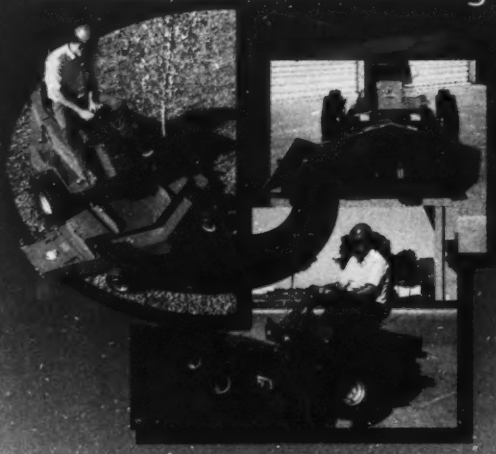

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Greengoods affected by drought

Bedding plant growers had a good season in 1988, but the negative effects of the drought on woody ornamentals will be felt for the next three to five years. Yet industry sources expect both sides of the greengoods industry to meet projected increases for 1988.

According to the Crop Reporting Board of the U.S. Department of Agriculture, the number of flowering and foliar type of bedding plants to be sold in 1988 over 1987 was projected to increase 8 percent; 59,667,000 flats were projected to be sold in 1988. Industry experts believe that figure was met.

Alvi Voigt, agricultural economist at Pennsylvania State University, University Park, Pa., and coordinator of the annual survey for The Professional Plant Growers Assn. (formerly BPI...A Growers' Organization), says, "In spite of the drought, the season was a relatively good one for [bedding plant] growers. They were able to move materials at reasonably decent prices....I think for [bedding plant] growers the season was finished [by the time the drought hit]. For retailers who wanted to extend the season, they might have had problems."

Projections on the number of hanging foliage expected to be sold in 1988 were at 22,167,000, according to the Floriculture Crops report. Other projections were for 4,286,000 flats of bedding geraniums to be sold in 1988—up 2 percent—and 10,407,000 flats of vegetable-type bedding plants to be sold in 1988—up 4 percent over 1987. These are the latest available figures.

In final figures for 1987, potted flowering plants, valued at $460 million, increased 18 percent over 1986, according to the Floriculture Crops report. Foliage plants decreased 2 percent in value over 1986 to $513 million. Bedding plants, valued at $682 million, had the largest increase in value, at 22 percent over 1986. All figures represent dollar value at wholesale.

Though most industry sources interviewed by *Lawn & Garden Marketing* about the woody ornamentals side of the greengoods industry expected projections made for 1988 to be met—despite the drought—they noted that the drought did have devastating effects, most of which probably won't be felt until the next three to five years.

The most recent figures available estimate that the total value of plant materials produced and distributed by the Wholesale Nursery Growers Assn. for 1988 was at $2.3 billion at wholesale and $6.9 billion at retail—an 8 percent increase over 1987. Figures for the previous two years were $2.1 billion at wholesale and $6.4 billion at retail for 1987, and $1.9 billion at wholesale and $5.8 billion at retail for 1986.

Duane Jelinek, director of horticulture research for the American Assn. of Nurserymen, says, "The drought played a factor in many areas. At the national level, the industry continues to do really well. I think what's going to happen is that the drought will have adversely affected the younger stock. Those who didn't have adequate irrigation will have the worst problems." Earl Wells, executive vice president of the Florida Nurserymen and Growers Assn., says that initial indications point to a 30 percent loss of nursery plant materials over a wide spectrum of Midwestern states. Wells says that early reports show Illinois, Indiana and Michigan were hit hard, and other Midwestern states experienced damage to plant materials. "Illinois, in particular, had a major problem with lining stock," he adds. Lining stock are cuttings that are planted to be sold in three to four years. Many of these did not survive.

"Not only does that put a crimp in stock now," he says, "But it puts a crimp in stock down the road." Wells hopes that as a spinoff, plant growers of woody ornamentals in Florida—where the drought had little, if any, effect—will be able to make up some of the difference.

William Scarff, president of AAN, brought up another problem. "The drought is a paradox," he says. Demand was excellent in early autumn, after rains finally arrived, "but the paradox is that that same factor [increased demand] is causing decreased inventories. So there's a supply problem. There also will be a supply problem in the next few years, because small plants couldn't make it. So it will affect the industry in the next three to five years, especially in the Midwest."

As far as next year, Scarff says he thinks that a momentum will be built up as a result of the buying this fall. "The drought made people more plant conscious than ever before. They were more aware that there were little growing things outside that needed extra help. So if there is one good aspect to the drought, it made people more aware of their plants."

According to a survey by the Garden Center Institute, retailers themselves feel optimistic about the future; 90 percent of those surveyed anticipate sales increases of 12 percent in 1989. (See "1988 Retail Sales".) More information from the survey will be published in January 1989 *LGM's* Retail Marketplace. **—LGM**

1988 Retail Sales

In mid-October, the Garden Center Institute surveyed retailers on their year-to-date total retail sales.

	Nationally	South	Northeast	Midwest	West
% reporting sales increases	78	75	80	80	69
Average of all sales increases	14.6	14	16.8	13.5	14

Source: The Garden Center Institute. Data gathered from a survey of 64 garden centers, part of a select base of 250 retail outlets doing an estimated $350 million annually in sales.

For further details, contact: Agricultural Statistics Board Publications, Rm. 5829-South Bldg., USDA, Washington, DC 20250, (202) 447-4021; WNGA/AAN, 1250 I St. NW, Ste. 500, Washington, DC 20005, (202) 789-2900; PPGA, P.O. Box 27517, Lansing, MI 48909, (517) 694-7700; WNGA, 5401 Kirkman Rd., Ste. 650, Orlando, FL 33687, (407) 345-8137; and GCI, P.O. Box 1264, Roswell, GA 30077, (404) 587-2113.

Retail Marketplace

Briefs

• **J.T. Eaton & Co. Inc.,** Twinsburg, Ohio, accepted a settlement against Pest Control Industries Inc. and Hampton Chemical Inc. in a patent infringement law suit. Pest Control Industries and Hampton Chemical admitted that they infringed on Eaton's patent. Eaton also has granted an exclusive license to Best Stick Products Co., Yonkers, N.Y., to manufacture a new style of replacement glue trap.

• **A.H. Hoffman Inc.,** Landisville, Pa., is expanding the distribution of its plant foods, soil and soil conditioners nationwide. Hoffman has maintained a strong presence in the Northeast, Mid-Atlantic, Southeast and Central regions of the United States and now will move into the West and Southwest. The company has hired six additional representatives and will set up warehousing and distribution facilities in California to serve the new markets.

• The Eastern Regional Nurserymen's Assn. pledged its support to the Garden Council when it presented a $15,000 check to the organization. The ERNA plans to donate $10,000 more in support of the Garden Council's national marketing program.

• Garden Aid Division of G/S Supply Co., Dayton, Ohio, is a new member of Garden Group Inc. GGI is a lawn and garden distributor group consisting of 10 members who work together to provide better services to the dealers in their areas. Spring and fall circular programs, as well as other advertising programs, are offered.

• **Safer Inc.,** Wellesley, Mass., has allocated $3.7 million for a comprehensive communications plan slated for spring 1989. The television ad campaign will air on the West Coast and Mid-Atlantic regions and is designed to build awareness of the Safer name.

• Channing Jones, national marketing manager at **Chevron Chemical Co.'s Ortho Consumer Products Division** for 30 years, received the 1988 National Lawn and Garden Distributors Assn. Award of Excellence at its recent convention. Jones developed a sales philosophy that continues to be used at the company and is a devoted supporter of the two-step system. Ortho is located in San Francisco.

Duraco Products opens warehouse in Canada

Duraco Products Inc., Streamwood, Ill., has begun operations at a new Canadian warehouse facility located in Missassauga, Ontario. The new facility brings the company's space in Canada to nearly 25,000 sq. ft. The facility will house Duraco's Garden Scene® line for distribution in Canada and replaces a public warehouse the company used previously.

The additional warehouse space will allow Duraco the opportunity to add additional product lines to its Canadian inventory. It currently markets eight Garden Scene lines in that country. Along with planters, the company produces interior landscape containers at the new location, along with window boxes, watering cans and transparent vinyl and color-coordinated saucers.

SERVISTAR offers L&G buying program

SERVISTAR® Inc., Butler, Pa., has targeted the lawn and garden market as a major growth expansion opportunity.

SERVISTAR has outlined a two-year test that offers a buying program through licensing agreements between retailers and the wholesaler—American Hardware Supply Co. SERVISTAR offers buying power, retail services, circular advertising, promotional assistance and image-building advertising.

The two-year test is targeted for the Northeast, but executives at the company believe the concept will expand quickly into other sections of the country. Existing independent garden centers with sales greater than $750,000 are being tapped for interest. SERVISTAR also has a 25,000 sq. ft. store prototype specifically designed for garden and nursery center retailing. Hardware and home center retailers will be given the opportunity to get involved in the program as well.

Scotts wins creativity award for packaging

O.M. Scott & Sons Co. won the Creativity '88 award from the Art Directors Assn. and *Art Direction* magazine for the packaging of its Builder™ line of garden fertilizers. O.M. Scott & Sons is based in Marysville, Ohio.

The annual international competition attracted more than 12,000 entries from the United States, Europe and the Far East.

Scotts won the packaging division in the printed materials category. Entries were judged on the basis of effective communication, originality and esthetic accomplishment.

L&G sales affected by the 1988 Drought

Most retailers indicated sales of fertilizers were negatively affected and sales of watering equipment positively affected by the drought this year:

	% indicating decreases	% indicating increases	% indicating no effect
1. Fertilizers	70%	16%	14%
2. Spreaders	57	10	33
3. Packaged seeds	53	8	61
4. Short-handled tools	46	8	46
5. Long-handled tools	46	8	46
6. Pesticides	40	39	21
7. Hand-held sprayers	29	33	38
8. Watering equipment	8	73	19

Source: *Lawn & Garden Marketing* August 1988 survey. Based on 169 lawn and garden retailers representing hardware/home centers, multi-department stores and garden centers.

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JANUARY 1989

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Extending the sale: service contracts

Power equipment dealers are just catching on to what automobile and appliance vendors have known for years—extended-service contracts are a lucrative means to increasing profits without significant added costs.
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Through corporate-licensing programs—where products are associated with widely recognized companies, concepts and TV shows, for example—retailers might have just the ticket to selling more consumers on lawn and garden products.
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Rentals offer added profits

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By knowing who your customers are, you can more successfully sell to them.
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Did you know?

Nearly 57% of lawn and garden retailers said watering restrictions had been imposed in their areas during the 1988 Drought; 43% said they had not. Of the respondents, 19% were in the Northeast, 53% were in the North Central, 22% were in the South and 6% were in the West.

Source: *Lawn & Garden Marketing* August 1988 survey.

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Feedback

By Gina Kellogg Hogan, *associate editor*

Gloves may be a top-selling product line sold by retailers, but retailers don't give gloves much attention. Nor do they spend much time worrying about sales of other apparel, such as aprons, face masks, knee pads, goggles or ear protectors.

A survey by *Lawn & Garden Marketing* and the National Lawn and Garden Distributors Assn. showed that gloves were the top product line of garden supplies sold. But when retailers were surveyed recently, most said they don't give a lot of thought to apparel sales.

Most retailers responding to the survey said sales of apparel are mostly predetermined purchases; few consumers buy apparel merely because they see the products while shopping.

Though most retailers interviewed admit they could do more to encourage impulse purchases, most say doing so has never occurred to them. Leonard Desmet, president of Desmet Lumber & Supply Co., Cecil, Pa., says the work in creating displays hasn't deterred him from making the effort; he merely has never given apparel sales much thought.

At Vasco Hardware, Lakeland, Fla., manager Jerry Holbrook has similar feelings. "I would like to have [apparel items] at the cash register," he adds, after a moment's reflection. "But there's no room. The problem with displaying them is that they're not the No. 1-selling impulse item in my store." He says a spinner rack probably would spur some increased sales in gloves.

Perhaps more retailers should spend time thinking about increasing apparel sales. After all, the majority of those retailers responding to this survey bring in more than $100,000 a year in apparel sales. Several indicated apparel sales exceeded $1 million or more.

Apparel sales

One retailer who does take time to encourage apparel impulse sales is Gary Roberson, Marshall's Garden & Pet Store, Aberdeen, Wash. As nursery manager, Roberson displays baskets of gloves and handtools among the spring bedding plants. He also places signs among the plants, reminding customers to buy garden gloves. "These [tactics] work especially well because a lot of times in the spring, the customers don't make it in to the main part of the store—because they are so caught up in the plants."

Another unique selling tactic Roberson uses involves wearing a pair of cotton garden gloves himself while working. "I wear a pair that I like, so customers see them when I'm working with the plants. They see them, and they ask about them, and I tell them the benefits. Then people usually say, 'Well, I'd like a pair of those.' "

Where to display apparel

To some extent, impulse purchases may be higher than retailers realize since most display apparel near allied lines. At Fawcett's Garden Center, owner Beverly Fawcett displays gloves next to pruners, trowels and other hand tools.

At Vasco, Holbrook displays goggles above saw blades and power saws. Work gloves are placed near hand tools.

Roberson also displays some apparel items with watering cans.

Guy P. Echols, owner of Echols' Farm Store, Richardson, Texas, says he not only displays safety-related apparel near power equipment, but the power equipment is the main reason he carries the products. As soon as a customer expresses an interest in purchasing power equipment, Echols is busy selling him or her a pair of goggles. "When we're selling a piece of power equipment, we explain that it *is* power equipment, and there are certain dangers inherent with power equipment," Echols explains. "Safety should be a prime consideration for a customer, and they should wear safety goggles and ear protectors."

About half of the survey respondents encourage sales of safety-related apparel with a power equipment purchase.

Holbrook of Vasco encourages his employees to suggest related apparel items during a sale. "On chemicals especially, I always try to bring up a mask, especially in the spring, where the wind could throw [chemicals] back in your face," he says.

The pricing problem

Most retailers surveyed say they mark up apparel items 40-49 percent. Only a few mark items up 100 percent or more. Most reasoned that their customers were familiar with apparel prices from shopping in nearby discount stores.

Desmet says, "We have to watch how we price them. We're not in a very populated area, and if we have our name out as a high-priced store, they'd stop buying from us." Most of his customers come to the store with a specific purchase in mind—and a specific dollar amount they expect to spend.

Mirvel Tack, who co-owns Tack Sales and Service with her husband in Oak Harbor, Ohio, has the same problem. "Consumers check out prices in a little town like this. People go out of town to discount stores and department stores. So we can't put prices too high, or people will say, 'Oh, I can get that cheaper somewhere else.' "

Roberson thinks he *could* mark up his products higher, but he likes to push quality rather than price. He does offer apparel items on special regularly. "Cheap prices don't go along with the identity of what the store has sold all these years," he says. **—LGM**

Average customer sale in lawn and garden apparel

Hardware/home center and garden center respondents were asked what the average sale per customer in lawn and garden apparel is in their stores:

Average sale	Percentage
$1-5	47%
$6-10	33
$11-15	19
No answer	1

Source: *Lawn & Garden Marketing* September 1988 survey.

Gina Kellogg Hogan is the associate editor of *Lawn & Garden Marketing*. Each month she calls on retailers of lawn and garden products all across the United States to discuss topics of relevance to their businesses. Retailers also are queried each month through surveys in *Lawn & Garden Marketing*. The results of these surveys are compiled by the *LGM* research department for use in the magazine and the industry at large.

Targeting the OPE market

By George Griffin, *editorial contributor*

Success in the consumer market often hinges upon the retailers' knowledge about customers and the retailers' ability to use this information effectively to reach the best prospects. This is a fundamental formula for retail sales success regardless of the size of the business.

An analogy between car sales and lawn and garden outdoor power equipment might best underscore the importance of this. For example, in selling cars, car manufacturers target specific audiences, depending upon the specific type or model of car or truck they are selling. Upscale, expensive automobiles, such as Cadillacs, Lincolns and Mercedes, are advertised in upscale, glossy magazines, such as *Town & Country*. An ad for a Ford half-ton truck, however, would look out of place in such a magazine; most *Town & Country* readers probably aren't interested in half-ton pickups. Consumers who are interested in trucks could better be reached in a gaming and wildlife magazine.

The same theory holds true for lawn and garden outdoor power equipment; retailers must target the audience that will be the most interested in the power equipment they have to sell.

Where do you begin to know just who of your retail customers wants what equipment? The Outdoor Power Equipment Institute's "Retail Sales Program" provides some of the answers to such questions. Through the study, important information about OPE customers is described, including demographics for various types of power equipment—which income group buys which equipment, whether women are involved in the purchase decisions and how much the experienced buyer spends as opposed to the first-time buyer, for example. The first industry-wide retail sales program, this study was initiated by OPEI during the 1988 selling season. The information was made available to retailers for the first time during the seminar program at the International Lawn, Garden & Power Equipment Expo in Louisville.

Six products were covered by the program in fiscal year 1988 (September 1987-August 1988): walk-behind power mowers, rear-engine riding mowers, snowthrowers, lawn tractors, garden tractors and walk-behind tillers. Beginning in fiscal year 1989, OPEI added flexible line trimmers. The program generates detailed consumer demographic data and other key purchase information such as product features, purchase price and type of store where the product was bought.

This direct market information can be used to target customers by OPE retailers and improve their business. All the program information is based upon a continuing large-scale telephone sampling of 275,000 U.S. households over a 12-month period.

Some key findings from the program indicate the significance of target marketing to consumers of the various OPE products. The truly successful OPE retailers are marketing to different consumers, depending upon the product. According to the retail sales program, these consumers are, in fact, upscale and are a more diversified group of customers than has been generally acknowledged in the past.

According to the report, the median household income of walk-behind lawnmower consumers is $37,556, while the median household income for garden tractor consumers is much higher at $46,352. Such a large difference in income indicates that the media that should be used for advertising walk-behind mowers is probably quite different than the media that should be used to reach a garden tractor consumer. A general circulation newspaper may work for one product, but a quality direct-mail effort may be better suited for the garden tractor advertising.

PE retailers are facing another diverse consumer segment that will affect product advertising and sales presentation: women. The report says that a female household member is involved with the purchase of a walk-behind lawnmower 32 percent of the time. For the lawn or garden tractor, a female is involved with 24 percent of the purchases. Thus, retailers cannot afford to overlook the female household member as a buyer or purchase-influencer in marketing activities, such as sales personnel training, sales presentation, product demonstrations and in-store displays.

Any OPE retailer should target the mix or products to appeal to first-time buyers and the replacement buyer.

OPE retailers should consider a targeted approach to market activities. No single media, advertising theme or limited model/display will effectively reach every consumer target. The results from the Retail Sales Program challenge OPE retailers to target their business for successful marketing. **—LGM**

First-time vs. replacement buyers

Without a doubt, experienced buyers—those replacing a product—clearly are paying more for that item, typically upgrading the product and features.

Product	First-time buyer	Replacement buyer	% change
Walk-behind	$ 193	$ 265	37
Rider	1,053	1,205	14
Lawn tractor	1,110	1,354	21
Garden tractor	1,852	2,799	51
Snowblower	418	543	29
Tiller	402	485	20

Source: 1988 OPEI Retail Sales Program

Information for this article was developed from the presentation by George Griffin at the International Lawn, Garden & Power Equipment Expo in July in Louisville, Ky. The data presented at Expo 88 is available upon written request to Dana Bondy, OPEI, 341 S. Patrick St., Old Town Alexandria, VA 22314.

The OPEI Retail Sales Monthly Report and Executive Summary are provided on a proprietary basis to OPEI members. OPE retailers can contact OPEI member manufacturers for more detailed information during the upcoming selling season.

New features, keynote speaker announced for Expo 89

Stew Leonard Jr., the nationally known retailer with annual sales close to $100 million, will be the keynote speaker at the International Lawn, Garden & Power Equipment Expo on Wednesday, Aug. 2. Expo 89 is slated for Monday, July 31-Wednesday, Aug. 2, in Louisville, Ky.

Leonard operates a grocery store in Norwalk, Conn., that employs 550 people in one location. His store has been featured in *Fortune* and *Success* magazines and in newspapers such as *The New York Times* and *International Herald Tribune*. Retailers will be able to learn first-hand what techniques make his store such a success.

New features of the Expo this year include the Innovative Products Awards and The Hall of Yesteryear.

The Innovative Products Award will recognize the most beneficial and original products introduced at the show. A panel of expert judges will review the entries before the show opens and announce 10 award recipients and one overall winner in a press conference the first day of the show. The Innovative Products Award is sponsored by *Lawn & Garden Marketing*.

The Hall of Yesteryear will provide attendees a walk down memory lane with a display of early power equipment and lawn and garden tools.

Dixon Industries expands production facilities

Dixon Industries, Coffeyville, Kan., began an $800,000 expansion project at the end of 1988 that will add 16,500 sq. ft. to its factory. Dixon initiated the project because sales of its product—ZTR mowers—have increased more than 60 percent over the last two years.

An addition of 13,600 sq. ft. will be divided among the engineering, marketing, customer service, accounting, purchasing, production, research and development departments. The paint shop will be enlarged by 2,900 sq. ft. and modernized with the addition of an automated powder-paint, oven-cure finishing process.

Electrolux buys Roper. See "On the Market," page 8.

America's Master Gardener to endorse Ryan line

Jerry Baker, America's Master Gardener, will act as spokesman for Inertia Dynamics Corp., Chandler, Ariz. Baker will endorse the company's line of gas-powered lawn and garden equipment and its Ryan line of trimmers and blowers.

Baker is the author of more than three dozen books and makes regular appearances on such TV shows as "CBS Morning News," the "Today Show" and "Good Morning America."

Equipment owned by lot size

In a survey of consumers, the type of outdoor power equipment owned—according to the lot size of their homes—was parallel: the larger the lot size, the more powerful the piece of equipment.

Lawn size	Walk-behind	Riding mower	Lawn tractor	Garden tractor
Less than ¼ acre	45%	09%	05%	05%
¼ acre	—	12	08	05
½ acre	28	25	18	11
1 acre	15	24	31	25
1½ acre	04	08	10	07
2 or more acres	08	22	28	47

Source: Outdoor Power Equipment Institute *Executive Update*

Briefs

• Frank Minati, president of Annawan, Ill.-based Brave Industries Inc. was elected president of the Logsplitter Mfrs. Assn. Al Huss, vice president, Huss Sales Inc., Toledo, Ohio, was elected vice president and treasurer.

• Production began at **Tecumseh Product Co.'s** new Dunlap, Tenn., plant in December. About 50 employees are part of the first phase of operation at the plant, with about 350 employees projected to be in place when the facility is working at capacity. The plant will manufacture the TC-200 and TC-300 engines.

• **Encore Mfg. Co.,** Beatrice, Neb., opened a 20,000-sq.-ft. manufacturing plant recently that will produce the company's line of commercial walk-behind mowers, grass catchers and sulky mower attachments. The company headquarters also was moved to the new location.

• **Western International** officially has changed its name to **Noma Outdoor Products Inc.** The company also moved its headquarters from Des Moines, Iowa, to Jackson, Tenn., where it introduced a new line of products called Powerline. The line will be sold through the independent servicing dealer and includes four-wheel-steer tractors and shift-on-the-go transmission transfer systems. Juergen Bueller was named director of dealer sales for the Powerline group.

• Richard R. Pollick has been promoted to president of the Toro Credit Co., a wholly owned subsidiary of **The Toro Co.** The Toro Credit Co. assists in the year-round manufacturing of lawn care and maintenance products by offering seasonal terms to Toro's distribution network.

• Elwood Smith has been named president of **AL-KO Kober Corp.,** Elkhart, Ind. He will run the North American operation of the company.

• James B. Farland has been promoted to vice president of sales and marketing for **Allegretti & Co.,** Chatsworth, Calif. He was formerly vice president sales.

• Robert W. Reid has been named president of **Jacobsen Division of Textron,** Racine, Wis. Reid replaces John R. Dwyer Jr.

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FEBRUARY 1989

Lawn&Garden Marketing™

An Intertec publication

Cover story: Promoting the L&G message

Spring hype • Annual Gardening Survey

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Lawn&Garden Marketing™

The merchandising magazine for lawn, garden and leisure living products.

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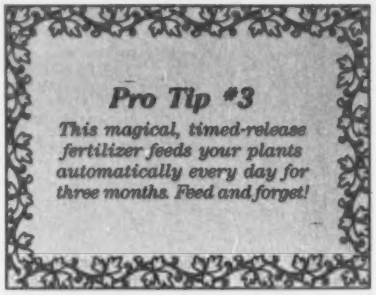
Pro Tip #3
This magical, timed-release fertilizer feeds your plants automatically every day for three months. Feed and forget!

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'88 participation level; sales off

According to the National Gardening Survey, the participation rate in lawn and garden activities remained level to that of 1987, but retail sales were off 10 percent. By Bruce Butterfield 6

Promoting the L&G message

April is the month to sow the promotional seeds that will grow into future sales—even during those lean months. By planting the right promotional mix, you can encourage customers to spend more time—and more money—gardening. 31

Promotions offer educational edge

With new campaigns beginning this spring, many pesticide and fertilizer manufacturers are focusing more of their promotional dollars—and less of your staff's time—on educating consumers.
By Adele I. Rogers 50

Cover illustration by 9-year-old Gary Aye of St. Louis, winner of the 1988 National Garden Week poster contest. Cover photography of frame illustration by Kevin Anderson. "From the Editor" photo by Kevin Anderson.

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Did you know?

Lawns are estimated to occupy an area between 25 million to 30 million acres in the United States—the size of five New England states—and as the population increases so will the amount of lawn acreage.

Source: The Lawn Institute.

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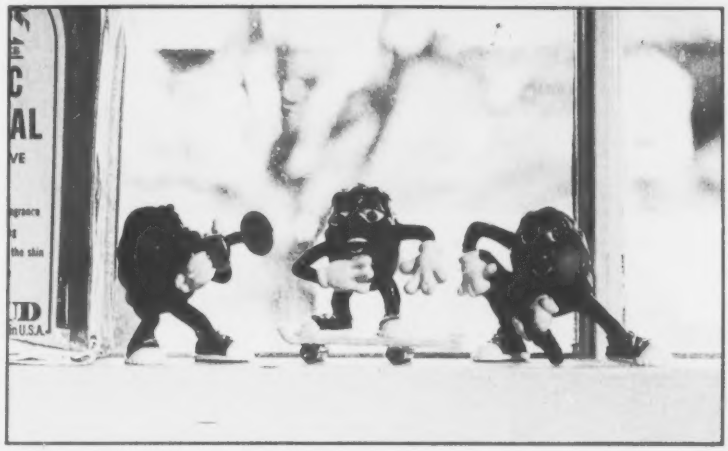
From the Editor



Certainly, some of the most creative institutional advertising to date has been generated by the food product industry. Dairy and beef councils have told us that milk "does the body good" and that beef is "real food for real people." Both campaigns are aimed at boosting sales and building positive images for their products.

In a similar image-building campaign, animated raisins danced their way across our TV screens and into our homes in an effort to build recognition for—and ultimately to inspire consumption of—raisins. This imaginative campaign, led by the agency Foote, Cone & Belding for the California Raisin Advisory Board, experienced resounding success and changed the way America looks at raisins.

Not only did the campaign succeed in boosting raisin sales, it created a merchandising phenomenon with the aid of the Dancing Raisin characters. Sales of the merchandise reached $500 million in 1988—twice that of the raisin market itself!

In a similar attempt at image-marketing, representatives of this industry are campaigning nationally for lawn and garden recognition. Through the efforts of The Garden Council and monetary contributions from nursery growers, retailers, manufacturers and distributors, the campaign is getting a boost. America is being reminded to think lawn and garden. (See "Promoting the L&G Message," page 31.)

I realize that these early efforts are dwarfed in comparison to those by the dairy, beef and raisin industries. But, admittedly, we have a rather complex task before us; we are not marketing one product—like raisins—but a variety of products—like tools, seed, live plant material and lawn care equipment. Therefore, support is fragmented.

But the success of any business—whether it is manufacturing or retailing—depends much on a company's ability to properly package, merchandise and promote its image, as well as its products. You'll find examples of this kind of marketing in this issue. On pages designated as "Sell-through," some advertisers have taken the opportunity to outline their 1989 promotional strategies for you. These pages exemplify how manufacturers must use a variety of promotional campaigns to increase consumer awareness for their products and to achieve sales goals.

The same principles for success can be applied to an industry as a whole. The lawn and garden industry must properly package, merchandise and promote its image, as well as its products, if it is to realize future growth. A unified, industry-wide effort like that now in place is essential to this growth. Increasing consumer awareness of L&G activities is the first step to increasing sales.

If America can be sold on raisins, it can be sold on the beauty of nature. I'm sure of it....I've heard it through the grapevine.

Susan L. Anderson

Lawn&Garden Marketing

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Participation level; sales off

About the same percentage and number of U.S. households participated in lawn and garden activities in 1988 as in the past two years, while retail sales declined about 10 percent from 1987 to 1988.

By Bruce Butterfield, *National Gardening Assn.*

Overall, 76 percent of the 91.1 million households in America, or an estimated 69 million households, participated in one or more types of indoor or outdoor lawn and garden activities in 1988 compared to 78 percent or 70 million households in 1987 and 78 percent or 69 million households in 1986. From 1987 to 1988, the total U.S. household population increased by 1.6 million households. These are the results of the *1988-89 National Gardening Survey* conducted for the National Gardening Assn. by the Gallup Organization Inc.

Lawn and garden retail sales in 1988 were an estimated $15.5 billion compared to $17.5 billion in 1987 and $14.2 billion in 1986. These and other results of the National Gardening Survey are based on the findings of 2,500 at-home personal interviews conducted during October and November 1988. This sample has a margin of error of plus or minus three percentage points.

Of the 15 individual categories of DIY lawn and garden activities measured in 1988 and 1987, only one category—raising transplants—saw a statistically significant decline in participation. Participation rates for lawn care, flower bulbs, tree care, landscaping, fruit trees, container gardening, growing berries, ornamental gardening and herb gardening were the same from 1987 to 1988. In fact, 1988 was the third consecutive year that participation in nearly all lawn and garden activities has stayed at about the same level.

No significant change occurred from 1987 to 1988 in lawn and garden participation by region of the country or with various demographic groups of lawn and garden consumers. Above-average participation in lawn and garden activities in 1988 was seen in the Midwest and West and with households 30 years of age and older, college-educated households, professionals and retirees, with married households and higher-income households. These same groups of people also have shown higher than average lawn and garden participation rates in previous years.

It's clear from these results that about the same number of lawn and garden customers existed in 1988 as in 1987, however they didn't spend quite as much money in 1988 as they did the year before. U.S. households spent an average of $227 on their lawns and

U.S. household participation in lawn and garden activities

Activity	1984 %	1985 %	1986 %	1987 %	1988 %	Point Change	(Millions of households) 1988	1987	Change
Lawn care	63	64	58	59	58	–1	53	53	0
Flower gardening	47	41	44	43	42	–1	38	39	–1
Indoor houseplants	46	42	41	41	41	0	37	37	0
Vegetable gardening	40	37	38	33	34	+1	31	29	+2
Shrub care	36	30	31	33	34	+1	31	29	+2
Insect control	38	27	33	30	32	+2	29	27	+2
Flower bulbs	27	19	24	27	24	–3	22	24	–2
Tree care	26	20	24	25	23	–2	21	22	–1
Landscaping	25	23	22	24	22	–2	20	21	–1
Fruit trees	18	17	17	18	16	–2	15	18	–1
Raising transplants	17	11	13	15	11	–4	10	13	–3
Growing berries	11	7	8	9	8	–1	7	8	–1
Ornamental gardening	9	7	6	8	6	–2	6	7	–1
Container gardening	na	na	12	12	11	–1	10	11	–1
Herb gardening	na	na	6	7	5	–2	5	6	–1
TOTAL*	83	84	78	78	76	–2	69	70	–1

*Total is the % of U.S. households that participated in at least one type of indoor/outdoor lawn and garden activity each year.

Source: National Gardening Assn./Gallup Organization

Photo by Rosalind Creasy

gardens in 1988 compared to $251 in 1987, a decrease of about 10 percent or $24 per household overall. A decrease in spending during 1988 greater than this overall average of 10 percent was seen among men, 18 to 29 year olds, high school-educated households, professionals and business people, in the East and West, and also among singles and married households with children, in the suburbs and with households earning incomes of $40,000 and more. Ironically, the biggest decreases in spending in 1988 were seen among many of the same categories of people that had shown the biggest increases in spending during 1987.

In terms of total 1988 retail sales by lawn and garden market segment, the only categories with an increase in sales in 1988 were fruit trees, shrub care and herb gardening. All other lawn and garden categories saw a decrease in sales from 1987 to 1988.

Highlights of the trends during 1988 for each lawn and garden activity are:

- **Lawn care:** Fifty-three million households (58 percent) participated in DIY lawn care in 1988, the same number as in 1987. Retail sales for lawn care products and equipment declined 2 percent from 1987, from $5.4 billion to $5.3 billion.
- **Landscaping:** Twenty-two percent of households (20 million) did landscaping in 1988, about the same number as in 1987. Consumers spent an average of $155 for landscaping in 1988 compared to $183 in 1987. Retail sales totaled $2.4 billion, down from $2.9 billion in 1987.
- **Flower gardening:** An estimated 39 million households had flower gardens in 1987 and 38 million in 1988. Retail sales for flower gardening totaled $1.8 billion in 1987 and $1.7 billion in 1988, a decline of 6 percent.
- **Vegetable gardening:** Thirty-one million households grew vegetables in 1988, compared to 29 million in 1987. Retail sales for vegetable gardening totaled $982 million in 1988 compared to $1.3 billion in 1987, a decline of 22 percent. The typical home vegetable

continued...

Average $ spent per household

Activity	1986	1987	1988	$ Change
Lawn care	$ 92	$113	$112	– 1
Landscaping	145	183	155	– 28
Flower gardening	41	49	47	– 2
Vegetable gardening	41	45	33	– 12
Tree care	61	89	81	– 8
Indoor houseplants	27	36	27	– 9
Shrub care	40	46	43	– 3
Insect control	36	39	33	– 6
Flower bulbs	26	25	24	– 1
Fruit trees	38	29	42	+ 13
Raising transplants	18	30	20	– 10
Ornamental gardening	76	91	43	– 48
Growing berries	15	22	19	– 3
Container gardening	34	33	29	– 4
Herb gardening	10	10	14	+ 4
TOTAL	$196	$251	$227	– 24

Source: National Gardening Assn./Gallup Organization

Gallup...continued

garden was 200 sq. ft. in 1988 compared to 300 sq. ft. in 1987.

- **Tree care:** One out of four households (21 million) was involved in tree care in 1988, about the same as in 1987. Retail sales declined by 9 percent from $1.3 billion in 1987 to $1.1 billion in 1988.
- **Indoor houseplants:** The number of households with indoor houseplants stayed at 37 million in 1988, the same number as in 1987. Retail sales for houseplants and supplies declined by 26 percent from $1.1 billion in 1987 to $819 million in 1988.
- **Insect control:** Twenty-nine million households controlled insects outdoors around their property in 1988 compared to 27 million households in 1987. The average amount spent on insect control in 1988 was $33 compared to $39 in 1987. Total retail sales for insect control declined by 10 percent from $979 million in 1987 to $880 million in 1988.
- **Shrub care:** Two million more households were involved in shrub care in 1988 (31 million) than in 1987 (29 million). Total retail sales for shrub care increased by 2 percent in 1988 over 1987 to $853 million.
- **Ornamental gardening:** Six percent of households participated in ornamental gardening in 1988 compared to 8 percent in 1987. Total retail sales for ornamental gardening decreased significantly from $471 million in 1987 to $191 million in 1988.
- **Flower bulbs:** Twenty-four million households had flower bulbs in 1987 and 22 million in 1988. Total retail sales for flower bulbs in 1988 were $396 million compared to $456 million in 1987, a decline of 13 percent.
- **Container gardening:** Eleven percent or 10 million households participated in container gardening in 1988, about the same level of participation seen in 1987. The average amount spent per household on container gardening in 1988 was $29 compared to $33 in 1987. Total retail sales declined by 23 percent from $305 million to $235 million.
- **Fruit trees:** Sixteen million households had fruit trees in 1987; 15 million had fruit trees in 1988. The average amount spent on fruit trees and related products in 1988 was $42 compared to $29 in 1987. Total retail sales increased from $292 million in 1987 to $416 million in 1988—an increase of 42 percent.
- **Raising transplants:** The number of households raising their own transplants declined by 3 million households from 13 million in 1987 to 10 million in 1988. Retail sales for products related to raising transplants went from $249 million in 1987 to $122 million in 1988.
- **Growing berries:** Seven million households grew berries in 1988, the same number as in 1987. The average amount spent by households growing berries in 1988 was $19 compared to $22 in 1987. Total retail sales in 1988 were $57 million and $95 million in 1987.
- **Herb gardening:** Total retail sales for herb gardening increased from $46 million in 1987 to $50 million in 1988. Five million households participated in herb gardening in 1988 compared to 6 million in 1987.

Retail sales in 1988

Activity	1986 $ Mil.	1987 $ Mil.	1988 $ Mil.	% Change
Lawn care	$ 4,317	$ 5,449	$ 5,342	– 2
Landscaping	2,176	2,921	2,356	–19
Flower gardening	1,519	1,777	1,679	– 6
Vegetable gardening	1,363	1,253	962	–22
Tree care	845	1,253	1,140	– 9
Indoor houseplants	826	1,105	819	–26
Shrub care	659	840	853	+ 2
Insect control	992	979	880	–10
Flower bulbs	431	456	396	–13
Fruit trees	382	292	416	+42
Raising transplants	131	249	122	–51
Ornamental gardening	166	471	191	–59
Growing berries	50	95	57	–40
Container gardening	310	305	235	–23
Herb gardening	39	46	50	+ 9
TOTAL	$14,206	$17,491	$15,518	–11

Source: National Gardening Assn./Gallup Organization

Why were lawn and garden retail sales down in 1988? Certainly, the widespread drought of 1988, which was the fourth worst drought on record, depressed lawn and garden retail sales in many regions of the country.

In addition to the drought, many parts of the country also experienced one of the hottest summers on record. According to the U.S. Weather Service, summer temperatures in 1988 for the contiguous United States were the third warmest since 1931 and the highest average summer temperatures seen in 50 years.

Aside from weather-related problems in 1988, other factors may have hurt lawn and garden retail sales in 1988—factors that will continue to challenge the lawn and garden industry in the future. These include the fact that the number of households participating in lawn and garden activities has been level, rather than increasing, for the last three years. Also, smaller gardens are becoming more popular, and, finally, lawn and garden activities are in direct competition with many other types of leisure activities for available time and discretionary spending.

As mentioned earlier in this article, the biggest decreases in lawn and garden spending in 1988 were seen with the same kinds of people who had shown the biggest increases in spending in 1987. This suggests that many lawn and garden consumers purchased products in 1987 that they did not need to replace or purchase again in 1988, such as power equipment or landscape plant material.

It also suggests that lawn and garden businesses, like other retailers, need to continually create demand that motivates consumer interest and purchase of lawn and garden products. Quite simply, retailers need to sell gardening each and every year. **—LGM**

Bruce Butterfield is the director of research for the National Gardening Assn. Each year, NGA publishes the *National Gardening Survey* based on research conducted by the Gallup Organization. The survey looks at U.S. household participation in lawn and garden activities, how much consumers spend, products purchased and other related subjects of interest. Complete survey results are published in a comprehensive 300-page report.

NGA is a member-supported, non-profit organization with headquarters in Burlington, Vt. Its 200,000 members receive the organization's monthly magazine, *National Gardening*, which, in addition to providing gardening information, permits members to exchange ideas and inquiries through its pages. The organization also offers members a Gardening Answer Service and Members Seed Testing Research, managed by staff horticulturists.

In addition, NGA is publisher of *Ruth Page's Gardening Journal*, a collection of programs from NGA's public radio program, which is broadcast nationwide; *Gardener's Questions Answered*, expert advice and practical solutions to gardening problems; and the 12-volume "Yardening" series of videocassettes. NGA is developing "Grow Lab" elementary science education programs using gardening as a hands-on learning tool.

For more information, contact NGA at 180 Flynn Ave., Burlington, VT 05401, (802) 863-1308.

Feedback

By Gina Kellogg Hogan, *associate editor*

If the response to *Lawn & Garden Marketing's* October survey on National Garden Month is any indication, the promotion should be a success this April.

More than 60 percent of the 115 respondents had heard of the promotion. Of those, 28 percent said they had promoted it last year and sponsored special activities. Most who did not promote it said they forgot or didn't plan far enough in advance.

Twenty-eight percent said that, even though they had not heard of the program until the *LGM* survey, they would participate in the program this year.

Forty-nine percent who had heard of it said they planned to get involved in the program in 1989.

Past and future promotions

Participants last year were encouraged by the response they received. Charles Costa, owner of Costa's Lawn & Garden Equipment, New Freedom, Pa., said in 1988 his store put up banners and offered hotdogs and Cokes for a quarter to promote National Garden Week, the forerunner of National Garden Month. He increased his business' sales force and put an ad in the local newspaper. "We had a pretty good success," he says. "We sold a lot of stuff, even stuff that we had for five years" and had not been able to sell before.

National Garden Month

Phil Kender, P&G Lawn & Garden Center, Greenfield, Ind., bulk-stacked fertilizer and lawn seeds to attract attention at his store, along with stocking extra annuals, perennials and shrubs. Large advertisements in the county newspapers mentioned National Garden Week, also. "We had some dealer reps come in from Scotts and Homelite/Jacobsen to talk to consumers and give demonstrations," Kender says. Safe use of chainsaws and mowers was shown. The store also displayed the cut-out sideview of a mower.

"This was our first year in business," Kender says. "It went real well. It was one of our strongest months of the year." This April, Kender plans on taking out more ads, buying radio air time, printing fliers and handouts and offering coupon discounts. Consumer deals such as buying a certain amount of fertilizer and getting half-off a spreader will be offered, he says. He plans to use Garden Council merchandising materials also.

At Carson Gardenland, Cleburne, Texas, green department manager Neil Johns will send out between 1,000 and 1,200 newsletters to his customers that will tie in with National Garden Month. Johns also will invite 200 local women to a Rose Tea in April. In the past, he says, this event has doubled his rose sales.

"I'll push lighting, sound and fountains," Johns says. The fountains especially will receive extra attention; the company handcrafts its own product.

Encouraging young customers

At Earl May Nursery and Garden Center, Kansas City, Mo., manager Ken Ramsey will encourage area children to enter his store's coloring contest. Last year's contest inspired 70 entrants, each of whom received the choice of a seed packet or a six-pack of annuals. The four winners in each age group received $25 gift certificates.

The brightly colored entries were displayed all over the store. "It makes the work more exciting," Ramsey says, "especially when you see the children so proud of what they've done." Along with ads for the coloring contest in the local newspapers, employees also wore National Garden Week buttons last year.

Carol A. Perzy, owner of Greenfield Farm, Litchfield, Ohio, is a big supporter of the national event in her community. Last year, Perzy displayed banners and posters, as well as building promotional displays. Store reps promoted the event at a local garden show, and a gardening "hotline" answered consumers' questions.

"We had lots of calls," Perzy says, "with questions on everything, from bulk seeds to vegetable plants. We have a large organic gardening clientele and at least 93 percent of the calls were in reference to vegetable gardening." VCRs throughout the store showed tapes of "The Victory Garden" TV show, and free soil-testing also was offered.

This year, Perzy plans to book garden club speeches during the month-long promotion and focus on drought gardening, including water-grabbing polymers and drip irrigation. **—LGM**

Most popular promotions/activities

Most respondents who said they will participate in National Garden Month this year will display banners or posters in their stores and offer sale prices on featured items.

Promotion or special activity	Percentage
Display banners or posters in store	52%
Offer sale prices on featured items	51
Spotlight it in regularly scheduled newspaper ads	46
Build special displays	34
Spotlight in direct-mail promotions/fliers	24
Hold in-store demonstrations	20
Volunteer professional advice to community groups	18
Hold contests/drawings	17
Spotlight it in regularly scheduled radio ads	14
Run newspaper/radio ads especially for it	13
Haven't formalized special activities yet	24
Haven't formalized promotions yet	19

Source: *Lawn & Garden Marketing* October 1988 survey.

Gina Kellogg Hogan is the associate editor of *Lawn & Garden Marketing*. Each month she calls on retailers of lawn and garden products all across the United States to discuss topics of relevance to their businesses. Retailers also are queried each month through surveys in *Lawn & Garden Marketing*. The results of these surveys are compiled by the *LGM* research department for use in *LGM* and to the industry at large.

Murray Ohio Mfg. Co. opens assembly subsidiary

The Murray Ohio Mfg. Co., Brentwood, Tenn., has established a wholly owned subsidiary, Murray Product Assembly Inc., to work directly with retailers.

The company will provide in-store product and display assembly, as well as warranty and repair work on products that include lawnmowers, patio furniture and barbecue grills.

Cecil Fowlkes, president of the new facility, says the program gives retailers an option. "More manufacturers are shipping in knock-down fashion," says Fowlkes. "People have little free time—both the husband and wife work—or they don't have the skills or patience to assemble the product themselves. They want instant gratification," he says.

The company currently serves 18 states, but Fowlkes says plans to go nationwide are in the works. Fowlkes says most people are familiar with this type of service through bicycle shops, but the idea has just taken off in the lawn and garden industry in the last several years. More people are requesting assembled products, and they aren't backing away from the additional cost, he says.

While most retailers aren't including the service in their advertising yet, they do display signs and use hang tags on the products, says Fowlkes.

Scholarship offered by NESDA

Applications for the $500 Norman Beck/National Equipment-Servicing Dealer's Assn. Educational Scholarship now are being accepted by NESDA.

Applicants must be the son or daughter of a servicing-dealer owner or employee. The dealer must be a member of NESDA both at the time of application and at the time the scholarship is awarded in July. Candidates must be high school graduates or hold the equivalent at the time the award is presented.

Applications must be received by May 1. For more information, contact NESDA, 19116 N. 95th Ave., P.O. Box 2116, Peoria, AZ 85380-2116, (602)566-0997.

Consumer Product Safety Commission chair vacant

Terrence Scanlon, chairman of the Consumer Product Safety Commission, resigned in January. He left to join the staff of the Heritage Foundation, a conservative think tank organization. As vice president and treasurer, he will be responsible for fundraising and financial management of the non-profit research institute. His replacement on the CPSC must be a democrat or independent as mandated by federal regulations. Because the Bush transition team has not given CPSC matters high priority, the chairmanship probably will remain vacant for an indefinite period of time.

Tiller buyers

Gardeners with either very small or very large plots are the most likely to own a tiller.

Garden size in sq. ft.	% owning tillers
Under 500	19%
500-999	9
1,000-1,499	6
1,500-1,999	7
2,000-2,499	7
2,500-2,999	3
3,000-3,499	4
3,500-3,999	3
Over 5,000	42

Source: 1988 OPEI Annual Retail Sales Report.

Briefs

• John A. Haas, president/CEO of Heekin Can Inc., and Terence S. Malone, president/CEO of Johnson Worldwide Associates, have been elected to the board of directors of **Simplicity Mfg. Inc.,** Port Washington, Wis.

• John Devouassoux has been named director of information systems for **Kubota Tractor Corp.,** Compton, Calif. He will be responsible for the development of information systems, computer and communications programs and technical support.

• Six dealers were named winners in the **Briggs & Stratton,** Milwaukee, 1988 In-Store Display Contest: first place, United Power Equipment, Fargo, N.D.; second place was a tie, Hale's Power Equipment Co., Modesto, Calif., and John's Mower Hospital, McMimmville, Ore.; third, Bellingham Chain Saw, Bellingham, Wash.; fourth, Johnson Rent-All Inc., Scottsbluff, Neb.; and fifth, Nelter Inc., Newport, Ky. Each entry was judged on its ability to tie its in-store display to the Olympic theme, demonstrate pride in the Olympic team and explain how Olympic sponsorship was used effectively to generate business.

• Jeffrey Pinnow has been appointed manager, parts and accessory marketing, for **Homelite Division of Textron,** Charlotte, N.C. Lee Sowell has been promoted to marketing manager, lawn and garden products.

•**Walbro Corp.,** Cass City, Mich., has made several staff changes. Thomas Schweigel has been promoted to director of North American operations. John Woody has been promoted to director of engineering for the company's small-engine division. John Traube has been named director of operations for SEM-Walbro, a joint venture of Walbro Corp. and AB Svenska Elektromagneter, Amal, Sweden. John Niebrzydoski has been named director of engineering for Orbital-Walbro Corp., a joint venture of Walbro Corp. and Orbital Engine Co., Perth, Western Australia. David Decker has been promoted to director of the company's small engine division in Europe.

Retail Marketplace

Safer completes third private financing deal

Safer Inc., Newton, Mass., completed an $8 million private equity financing deal in December with a group of investment firms. This is the largest deal of its kind in the company's history.

The money will be used to accelerate development of the company's biotechnology research program, as well as to expand its marketing and distribution efforts in the consumer and agricultural markets in the United States and Canada.

Participating investors include Plant Resources Venture Funds; Aeneas Venture Corp., an affiliate of Harvard University; Merrill Lynch Venture Partners; Chancellor Capital Management; Elf Technologies Inc.; Rockefeller & Co.; Standish, Ayer & Wood; and Sanfoi S.A.

Plant Resources Venture Fund, Aeneas Venture Corp. and Merrill Lynch Venture Partners were involved in a $5 million financing deal with Safer in March 1987. An additional $3.9 million financing was obtained in November 1987 from Plant Resources Venture Funds, Aeneas Venture Corp., Merrill Lynch Venture Partners, Standish, Ayer & Wood, Citicorp Investment Management and Rockefeller & Co.

Adele Rogers, pesticide and fertilizer consultant and *Lawn & Garden Marketing* editorial contributor, projects the additional financing should mean more sales on the retail level.

Rogers says the boost in marketing and advertising of Safer products, as well as the category in general, will raise consumer awareness, therefore increasing sales.

The company also plans to expand its 26-member research team to 50 within the next two years.

Landscape architect magazine redesigned

Landscape Architecture, published by the American Society of Landscape Architects, was redesigned beginning with the December 1988 issue. Its new, non-standard size is 9x12 in., and it is published on high quality paper.

Article topics will range from ecologically based regional planning to residential garden design to corporate landscaping; they will appeal to both the professional and the public. The more cosmopolitan look is expected to help the magazine compete when it begins selling on newsstands this spring.

POP program from All-America Selections

For the first time, All America Selections is offering an integrated POP program that announces the 1989 AAS winners. The program includes plant labels and signs that feature the AAS emblem, an 8-x10-in. sign that explains the significance of the AAS award to customers, and a 5-x5-in. diecut sign of the AAS emblem. The plant labels also have a color picture of the winning bedding plant.

The POP signs can be ordered from The John Henry Co., P.O. Box 17099, Lansing, MI 48901-7099, (517)323-9000.

Where gardeners get project info

Sixty-five percent of the estimated 58 million owner-occupied households who did lawn and garden work in 1987 completed eight or more total home improvements. They got the information needed to complete those projects from a variety of sources.

Information source	Percentage
Friends and family/word of mouth	59%
Magazine articles	48
Newspaper articles	40
Home center advertisements	39
Store-dispensed brochures	38
DIY books	37

Source: *Home Center* magazine.

Briefs

• Montvale, N.J.-based **The d-Con Co.'s** line of insecticides won an award in The Chemical Specialties Mfrs. Assn. biennial Aerosol Package Design Awards. The competition recognizes innovation and design creativity in packaging. Other CSMA news: new officers were elected at the annual meeting in December. Paul Hiznay, Mona Industries Inc., Paterson, N.J., was elected chairman of the board. Albert Pellini, Advanced Monobloc Corp., Pittsburgh, Pa., was chosen first vice chairman. Thomas McKenna, Peterson/Puritan Inc., Danville, Ill., was selected second vice chairman. George C. Dietrich, Diversified CPC International Inc., Westmont, Ill., was re-elected treasurer.

• Several staff changes have taken place at the American Assn. of Nurserymen. David Peiffer has been named director of landscape services and regulatory affairs. Joel Albizo has joined the organization as director of advertising and public relations. Betsey Lyon is the new director of education and publications.

• Joseph Rosenberg has been appointed national sales manager of the consumer division of the **J.T. Eaton and Co.**, Twinsburg, Ohio.

• Ken Brown has joined Tacoma, Wash.-based **NuLife Fertilizers** as a sales rep. He will handle sales in the northwestern section of Washington.

• The Professional Plant Growers Assn. elected new officers in December: president, Phil Bartlett, owner, Ocean View Farm, Nantucket, Mass.; vice president, George Lucht, president, Malmborg's Inc., Brooklyn Center, Minn.; treasurer, Bob Wilhelm, owner, Country Acres Greenhouse, Marysville, Ohio.

• Newton, Mass.-based **Safer Inc.** announced several appointments to its board of directors: Herman Fonteyne, president/CEO, Ensign-Bickford Industries Inc., Simsbury, Conn.; Ray Goldberg, chairman of the agribusiness department and Moffett professor of agriculture and business at the Harvard Graduate School of Business Administration; and Dr. Michel Ronc, president/CEO, Elf Technologies Inc.

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Garden tools • NESDA survey results

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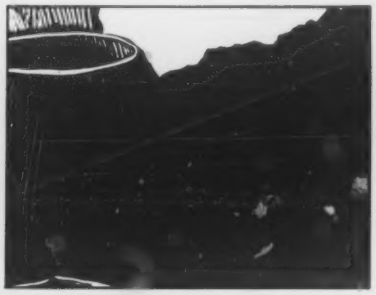

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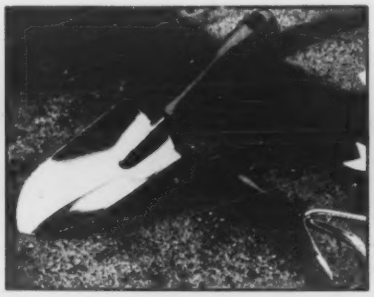

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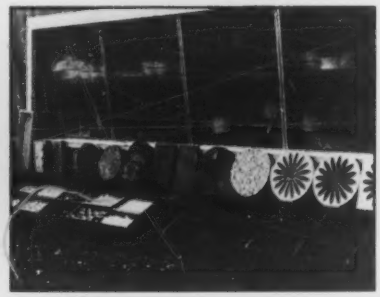

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Did you know?

Sales of lawn and garden products generally reflect the population distribution of the U.S. The top five regions are the East North Central (20%), South Atlantic (20%), Mid-Atlantic (13%), Southwest (13%) and Pacific (11%).

Source: 1988 Outdoor Power Equipment Institute Retail Sales Program.

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L&G sales update

With overall product movement holding steady in 1988, greengoods purchases helped fuel the demand for hardlines and packaged goods—and more customers purchased those products from garden centers and mass merchants.

By Bruce Butterfield, *National Gardening Assn.*

When you think about it, if homeowners didn't have living plants to take care of or if they didn't buy greengoods, they wouldn't have any reason to buy fertilizer, power equipment, insect controls, tools or any of the hundreds of other products sold by lawn and garden retailers. Sales of greengoods such as bedding plants, trees, shrubs, vegetables, flower and grass seed, houseplants and bulbs help create the demand for a wide range of lawn and garden hardlines and packaged goods.

In addition to the fact that greengoods are the largest single lawn and garden product category, in terms of number of buyers and total dollars spent each year, they also help build store traffic, bring in new and repeat business and provide the opportunity for tie-in sales and cross-merchandising. It is estimated that for every $1 consumers spend on greengoods, they spend $3 on related lawn and garden products.

Results from the 1988 National Gardening Survey support this estimate and point to the importance of cross-merchandising at the retail level as a way to increase future sales.

How many purchased

Sixty-nine million American households spent a total of $15.5 billion on indoor and outdoor lawn and garden activities in 1988 compared to 70 million households that spent $17.5 billion in 1987. (See "Participation level; sales off," February 1989 issue.)

A total of 62 million U.S. households or 89 percent of lawn and garden participants purchased one or more types of lawn and garden products in 1988 compared with 65 million households or 93 percent in 1987. These are key results of the *1988-89 National Gardening Survey*, conducted for the National Gardening Assn. by the Gallup Organization Inc.

The results, which will be published in April, are based on the findings of 2,500 at-home personal interviews with a representative sample of the U.S. household population in all 50 states. The results of the survey—conducted in October and November 1988—have a margin of error of plus or minus three percentage points.

The survey measures the percentage of lawn and garden households that purchased 16 lawn and garden product categories and more than 100 specific types of lawn and garden products.

In 1987 and 1988, the percentage of lawn and garden consumers who purchased nine out of 16 lawn and garden product categories was statistically equal. They are nursery products, indoor plants and supplies, insect controls/chemicals, fertilizer, pet/wild bird products, garden hand tools, power equipment, food preservation products and gardening information.

Seven out of 16 categories saw an increase in the percentage of lawn and garden customers who purchased them. They are seeds/bulbs, watering equipment, outdoor living/barbecue, soil amendments/mulch, floral products, plant containers and lawn/landscape services.

In the following paragraphs, the term "buyers" is synonomous with "buying households."

What they purchased

Nursery products were purchased by 54 percent of lawn and garden households (37 million) in 1988 and 52 percent (36 million) in 1987. The best-selling nursery products in 1988, in terms of the number of households buying them, were annual flower transplants (17 million buyers), vegetable garden transplants (17 million buyers), perennial flower transplants (13 million buyers), rose bushes (10 million buyers) and flowering trees/shrubs (6 million buyers).

Indoor plants and supplies were purchased by 53 percent of lawn and garden households (37 million) in 1988 and 50 percent (35 million) in 1987. The best-selling indoor plants and supplies in 1988 were potting soil/growing medium (25 million buyers), houseplant fertilizer (18 million buyers), foliage houseplants (15 million buyers), indoor

Lawn and garden products purchased*

	1987		1988	
	%	Mil.	%	Mil.
Nursery products	52	36	54	37
Indoor plants & supplies	50	35	53	37
Insect controls/chemicals	45	32	44	30
Fertilizer	45	32	44	30
Seeds/bulbs	45	32	56	39
Pet/wild bird products	45	32	48	33
Watering equipment	39	27	50	35
Outdoor living/barbecue	38	26	47	33
Garden hand tools	37	26	35	24
Soil amendments/mulch	32	22	38	26
Floral products	30	21	36	25
Power equipment	25	18	25	17
Food preservation	25	18	24	17
Plant containers/pots	14	10	19	13
Gardening information	13	09	16	11
Lawn/landscape services	09	06	14	10
None	07	05	11	08

*Totals add up to more than 100 percent due to multiple responses.
Source: National Gardening Assn./Gallup Organization

Illustration by C.B. Mordan

plant containers/pots (13 million buyers) and flowering houseplants (12 million buyers).

Insect controls/chemicals were purchased by 44 percent of lawn and garden households (30 million) in 1988 and 45 percent (32 million) in 1987. The best-selling insect controls/chemicals in 1988 were RTU insect controls (14 million buyers), chemical insecticide dust (9 million buyers), water-soluble chemical insecticide (9 million buyers), weed control/herbicide (7 million buyers) and fungicide (4 million buyers).

Fertilizer was purchased by 44 percent of lawn and garden households (30 million) in 1988 and 45 percent (32 million) in 1987. The best-selling fertilizers in 1988 were weed and feed fertilizers (17 million buyers), dry or granular chemical fertilizer (12 million buyers), liquid or soluble fertilizers (9 million buyers), manure (6 million buyers) and blended all-natural/organic fertilizer (5 million buyers).

Seeds/bulbs were purchased by 56 percent of lawn and garden households (39 million) in 1988 and 45 percent (32 million) in 1987. The best-selling products in the seeds/bulbs category during 1988 were vegetable seed (21 million buyers), grass seed (20 million buyers), annual flower seed (13 million buyers), spring flowering bulbs (13 million buyers), summer flowering bulbs (7 million buyers) and perennial flower seed (6 million buyers).

Pet/wild bird products were purchased by 48 percent of lawn and garden households (33 million) in 1988 and 45 percent (32 million) in 1987. The best-selling products in the pet/wild bird category in 1988 were pet food (24 million buyers), pet care products (19 million buyers), wild bird feed

continued...

L&G sales...continued

(14 million buyers) and birdfeeders (7 million buyers).

Watering equipment was purchased by 50 percent of lawn and garden households (35 million) in 1988 compared with 39 percent (27 million) in 1987. Given the drought and unusually hot summer temperatures in 1988, it is not surprising to see that sales of watering products were up. The best-selling products in the watering-equipment category were hose (20 million buyers), hose nozzles (19 million buyers), sprinklers (18 million buyers), hose connectors (13 million buyers) and hose-end fertilizer/pesticide sprayer (9 million buyers).

Outdoor living/barbecue products were purchased by 47 percent of lawn and garden households (33 million) in 1988 and 38 percent (26 million) in 1987. The best-selling products in the outdoor-living/barbecue category in 1988 were outdoor furniture (11 million buyers), barbecue grills (11 million buyers), barbecue accessories (11 million buyers), outdoor lighting (6 million buyers) and fencing (6 million buyers).

Garden hand tools were purchased by 35 percent of lawn and garden households (24 million) in 1988 and 37 percent (26 million) in 1987. The best-selling hand tools in 1988 were long-handled tools (11 million buyers), short-handled tools (9 million buyers), pruning shears/loppers (7 million buyers), sprayers (7 million buyers), and fertilizer spreaders (4 million buyers). (See "Garden hand tools," page 18, and "Retail Workshop," page 8.)

Soil amendments/mulch were purchased by 38 percent of lawn and garden households (26 million) in 1988 and 32 percent (22 million) in 1987. The best-selling products in the soil amendments/mulch category in 1988 were peat moss (16 million buyers), topsoil (13 million buyers), natural mulches such as wood chips or bark (9 million buyers) and seed/soil inoculant (2 million buyers).

Floral products were purchased by 36 percent of lawn and garden households (25 million) in 1988 and 30 percent (21 million) in 1987. The best-selling floral products in 1988 were cut flowers (18 million buyers), flower arrangements (11 million buyers), silk flowers (11 million buyers) and flower arranging supplies (5 million buyers).

Power equipment was purchased by 25 percent of lawn and garden households (17 million) in 1988 and 25 percent (18 million) in 1987. The best-selling types of power equipment in 1988 were walk-behind mowers (6 million buyers), chainsaws (4 million buyers), string trimmers (3 million buyers), power blowers (2 million buyers) and riding lawnmowers (2 million buyers).

Food preservation products were purchased by 24 percent of lawn and garden households (17 million) in 1988 and 25 percent (18 million) in 1987. The best-selling products in the food-preservation category in 1988 were freezing supplies (11 million buyers), canning supplies (10 million buyers), food-processing equipment (2 million buyers) and food-drying supplies (1 million buyers).

Outdoor plant containers were purchased by 19 percent of lawn and garden households (13 million) in 1988 and 14 percent (10 million) in 1987. The best-selling outdoor-plant containers in 1988 were outdoor planter/pots (10 million buyers) and window boxes (1 million buyers). Also included in this category in 1988 was a measurement of season-extending products such as plant protectors (1 million buyers) and row covers/cold frames (800,000 buyers).

Gardening information was purchased by 16 percent of lawn and garden households (11 million) in 1988 and 13 percent (9 million) in 1987. The best-selling types of gardening information in 1988 were gardening magazines (7 million buyers), garden books (5 million buyers) and gardening calendars/planners/journals (1 million buyers).

Lawn/landscape services were purchased by 14 percent of lawn and garden households (10 million) in 1988 and 9 percent (6 million) in 1987. A total of 7 million households purchased lawn-care services in 1988, 2 million households paid for landscape-maintenance services and 1 million contracted landscape design and installation services.

Where they purchased

Garden center/retail nursery was the retail outlet where most consumers purchased lawn and garden products. Following garden center/retail nursery in terms of the number of households that purchased products at that retail outlet were hardware store, mass-merchandiser/discount store, supermarket/drug store, feed/seed store, home center and mail-order.

From 1987 to 1988, the number of lawn and garden customers who purchased products at garden centers or retail nurseries increased by an estimated 4 million households, and the number of consumers who purchased lawn and garden products at mass-merchandisers or discount stores also increased by 4 million households. **—LGM**

The 1988-89 National Gardening Survey, on which this article is based, provides detailed marketing information on the who, what, where, when and why of lawn and garden retail sales. Each year, the National Gardening Assn. publishes the complete results of the survey in a comprehensive 300-page report. For more information, contact the NGA at 180 Flynn Ave., Burlington, VT 05401, (802) 863-1308.

Lawn and garden best sellers

Product	1988 Households purchasing %	Mil.
1. Potting soil/growing medium	36	25
2. Vegetable seed	30	21
3. Grass seed	29	20
4. Hose	29	20
5. Hose nozzle	28	19
6. Sprinkler	26	18
7. Houseplant fertilizer	26	18
8. Annual flower transplants	25	17
9. Weed & feed fertilizer	24	17
10. Vegetable garden transplants	24	17
11. Peat moss	23	16
12. Foliage houseplants	22	15
13. RTU insect controls	20	14
14. Indoor pots/plant containers	19	13
15. Spring flowering bulbs	18	13
16. Perennial flower transplants	18	13
17. Annual flower seed	18	13
18. Hose connectors	18	13
19. Topsoil	18	13
20. Flowering houseplants	17	12
21. Dry/granular chemical fertilizer	17	12
22. Long-handled tools	16	11
23. Outdoor furniture	16	11
24. Barbecue grills/accessories	16	11
25. Rose bushes	15	10

Source: National Gardening Assn./Gallup Organization

Garden hand tools

Garden hand tools may not match the turns that other lawn and garden products make, but the potential for profit is there if retailers put some effort into selling them.

By Gina Kellogg Hogan, *associate editor*

The subject of quality vs. a low price can be argued about virtually any product category, whether it be cars, clothing or perfume. If you purchase a product based on its low price, you generally give up quality. If you purchase based on quality, you are bound to give up a low price.

According to a survey of lawn and garden retailers, the same can be said about garden hand tools. The argument about whether consumers are more interested in a product that will last longer, as opposed to a product that costs several dollars less, was frequent among respondents.

(See "Retail Workshop," page 8, for merchandising tips on garden hand tools.)

In the end, quality won out, but not by much: 45 percent of respondents to *Lawn & Garden Marketing's* November/December 1988 survey on garden hand tools said they believed customers place greater emphasis on quality, while 40 percent said they thought customers were more influenced by price.

"The consumer trend is changing," said Kurt Schultz, owner of Young's Animal, Vegetable, Mineral, a multi-department lawn/garden/pet store in Lockport, N.Y. "The consumer conscience is leaning toward a product to fulfill their needs over a long period of time and not be replaced down the road. The yuppie crowd has a larger expendable income and less time on their hands." They want a store that sells quality products upon which they can rely, he said. "I feel that, as with many products today, the largest buying population prefers quality, even if they may cost more."

But Kenneth L. Robinson, C.E. Sickeler Hardware, Sewickley, Pa., argued that price was more important to consumers purchasing garden hand tools. "The price of high-quality tools has risen to a point where people are buying one or two grades down," he said. "More people are 'making do,' instead of replacing tools."

C. Bruce Hamilton, owner/vice president at Florence Hardware, Omaha, Neb., agreed. "We can take a $5 and a $10 rake, and we can sell the higher quality, $10 rake because people are tired of the junk rake they owned before. But if we have a $15 rake, we can't sell that." He said a definite limit existed on the amount people were willing to spend.

A majority of respondents—68 percent—admitted that, whether a customer actually bought a product for quality or price, quality *was* still of prime importance to them.

What's up to date

Current trends in lawn and garden are pointing to ergonomics and color as being the new waves of the future. Consumers are interested in products that are easy to handle, as well as attractive. But garden hand tools is not one of the categories in which retailers feel these trends are important.

Just over half of the respondents said they thought customers found ergonomic designs somewhat important; one in five said they were not important, and 16 percent said ergonomics was very important to customers. Garden center respondents seemed to think this trend was of greater influence to consumers than the other retailers; just more than one in five saw ergonomics as very important.

Color, which has been popping up on garden tool handles in such vibrant shades as pink and lavender, was seen as not important to consumers by more than one in two respondents. Forty percent said color was of somewhat importance to consumers. About one in 10 garden center respondents said color was very important to consumers.

Helping the customer

Retailers recognized that customers needed some educational assistance in the selection of hand tools from the sales staff. What is this trowel used for as opposed to this one? What size branch will this pruner cut? One in two retailers said they thought educational assistance from a salesperson was very important to customers purchasing garden hand tools. By hardware and power equipment dealers, especially, educational assistance was recognized as significant; 56 percent of hardware

How much room is devoted to garden hand tools?

Most lawn and garden retailers allot between 5 and 9 percent of their total indoor square footage to garden hand tools, according to survey respondents.

% allotted	Total	Multi-dept.	Garden center	Hard-ware	Power equip.
Less than 5%	24%	25%	17%	36%	14%
5% to 9%	25	25	31	22	23
10% to 14%	24	25	35	17	23
15% or more	13	13	10	11	18
No answer	14	13	07	14	23
Median	09	09	10	07	11

Source: November/December 1988 *LGM* survey.

Figures have been rounded and may not add up to 100 percent.

store respondents and 55 percent of power equipment respondents said assistance was very important.

But explaining the product's benefits and uses may not be the only reason customers want assistance. John C. Zerangue III, sales manager and part-owner of Zerangue's Lawn Center, Lafayette, La., said a lot of people enter his store knowing exactly what they need. "But a person wants to be catered to and pampered," Zerangue explained. "You want to try to reach out and have some conversation with this person and make them feel at home."

American-made

Ronald Reagan may be out of office now, but the patriotic mood his presidency stirred in the American public remains; American-made products are in demand. Yet, so are imported, Japanese automobiles. Americans are a fickle lot.

Retailer respondents to *LGM's* survey indicated they, too, want the quality products for which American-made has come to stand; 47 percent said they felt strongly that their distributors supply them with American-made tools. However, as strongly as they feel, they indicated their customers were not as interested in American-made as they were; most of the respondents—49 percent—said American-made products were only of somewhat importance to consumers.

Perhaps consumers aren't as interested in *where* a product came from as what *grade* of product it is. That's Schultz's philosophy at Animal, Vegetable, Mineral. "I have to look at the product itself," he said. "If I feel that a West German pruner is a better product [than its American-made counterpart], I will offer that. If I find an English-made shovel that's a better product, I will offer that."

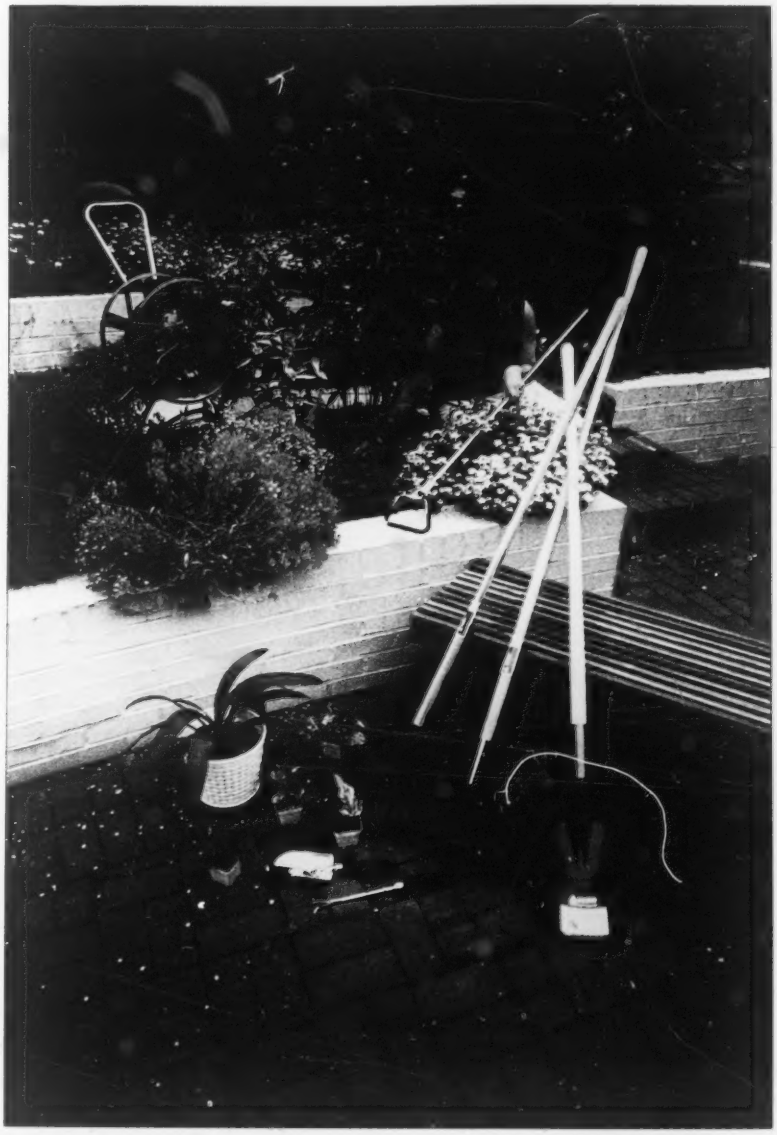

Photo courtesy of Ames

One respondent complained, however, that, because of increasing imports, American-made products were a lot harder to find. "The government's gotten involved so much, there aren't any American-made products hardly available," said Howard Van Horn, owner of Van Horn Excavating, Mineral Ridge, Ohio. He said retailers don't have much of a choice any more in whether they wanted to sell American-made products, because most U.S. manufacturers were being driven out of business by the imports.

Brand-name products

Does a manufacturer-recognized name make a difference, both to consumers and retailers? Yes, somewhat. More than one in two respondents said consumers put some importance on whether a hand tool they purchased has a recognized brand name. Retailers themselves replied similarly; 56 percent said brand names were somewhat important. Having a choice of brand names had similar results; most retailers—43 percent—said consumers put some importance in having a choice.

Retailers feel more strongly about having a selection of products; 45 percent said they thought having an expan-

continued...

sive product-line offering was very important.

Choosing a brand

What exactly influences retailers when they are deciding which brands to carry? Quality products obviously is uppermost in a retailer's mind. But suppliers' programs were rated similarly high. When retailers were asked to indicate the importance of various programs when making the selection of a garden hand-tool supplier, most respondents rated dating, early-order programs, co-op ad allowances, and national advertising as very important; 58 percent said dating was very important, 47 percent said early-order programs were very important, 45 percent said co-op ads were very important, and 48 percent said national ads were very important.

Of somewhat importance to respondents was POP material—by 40 percent—and spiffs—by 36 percent. Planograms were rated as not important by 44 percent.

A manufacturer's guarantee/warranty was of considerable importance to consumers, according to respondents; 48 percent said consumers were very interested in a guarantee/warranty. Less important was good/better/best-type labeling; more than one in two respondents found this labeling to be of somewhat importance.

Competing carriers

Discounters were mentioned most often by respondents—60 percent—as their major competitor in garden hand tools. Hardware/home centers were the major competitor of more than one in three respondents.

What influences the consumer's purchase of garden hand tools?

When selecting garden hand tools, quality is of foremost importance to consumers, say retailers. Retailers rated the following also as "very important."

Selection choice	Total	Multi-dept.	Garden center	Hard-ware	Power equip.
Brand name	17%	13%	04%	28%	18%
Choice of brands	17	25	17	14	18
POP material	17	25	17	14	18
Quality of tool	68	50	59	75	77
Price of tool	52	38	59	47	55

Source: November/December 1988 *LGM* survey.

Figures have been rounded and may not add up to 100 percent.

Of the multi-department store respondents, 63 percent noted discounters as the main competition, followed by competition from hardware/home centers—mentioned by one in four respondents.

Of garden center respondents, 55 percent mentioned discounters, followed by 38 percent complaining of hardware/home centers.

Hardware/home center respondents, however, primarily competed against discounters—55 percent—and other hardware/home centers—22 percent.

Of power equipment respondents, more than half mainly compete against discounters, as well as against hardware/home centers—41 percent.

One respondent said that, even though he wanted to sell hand tools, the field was too competitive for him to do so successfully. Chet Magee, Magee's Sales and Service, Cohasset, Mass., said, "We have investigated selling [garden hand tools]. Due to the purchasing power and competition in True Value, Zayres, Sears, K mart, etc., we have decided against selling this type of product."

Advertising the product

Whether advertising might be the key to successful sales in this category, respondents were just about split. Just more than half said they had advertised garden hand tools; 46 percent said they had not. Most multi-department store respondents—88 percent—said they had advertised these tools; 69 percent of hardware/home center respondents also had advertised. However, 55 percent of garden center respondents said they had not advertised them, nor had more than three out of four power equipment respondents.

Making the bucks

Are garden hand tools a lucrative department in lawn and garden retail stores? Talking to a hundred different retailers might give you a hundred different answers. Comments from retailers indicated that garden hand tools seemed to be a fairly successful aspect of their business.

Most multi-department stores—38 percent—said they earned between $5,000 and $9,999 from these sales. At garden centers, most respondents—28 percent—gained $1,000-$4,999 each year. Hardware/home center respondents earned the most; 33 percent made $15,000 or more. And power equipment respondents earned the least; 27 percent garnered less than $1,000 from these sales.

The median amount earned for each retail category was: multi-department stores, $8,350; garden centers, $2,160; hardware/home centers, $17,500; and power equipment dealers, $1,800. **—LGM**

Photo courtesy of Ames

Dealers unhappy about insurance premiums, companies

Forty percent of the 156 power equipment dealers who responded to a National Equipment-Servicing Dealer's Assn. survey are unhappy with their insurance carriers. While these dealers collectively have claimed losses of about $1.2 million over the years, they pay annual premiums of more than $700,000.

Norman Beck, NESDA executive director, says the survey was conducted to determine whether or not members would participate in a NESDA-sponsored insurance program. Dealer's responses were nearly evenly divided about such a program: 51 percent said they would not invest, 49 percent said they would.

Most of the dealers who said they were dissatisfied with their carriers—39.5 percent—blamed the high cost of coverage—noted by 71 percent—and inadequate coverage—noted by 29 percent.

Beck says the survey results gave the organization the background it needed to move forward intelligently with developing a program. "We have an insurance committee that is working with an agent in California who, in turn, is working with three companies," says Beck. He estimates that it will be two or three months before a preliminary package is negotiated.

Only about 8 percent of the respondents had been involved in product liability suits; losses ranged from $1,500 to $25,000. The average respondent has been in business for about 15 years and grosses about $516,000 annually.

Black & Decker products go to Japan

Shin-Daiwa Kogyo, Hiroshima, Japan, parent company of Shindaiwa Inc., Sherwood, Ore., has agreed to become the exclusive importer for Towson, Md.-based Black & Decker products in Japan. Primary emphasis will be on professional/industrial power tools, and a range of tools specifically designed for the Japanese market are expected to be available this summer.

Other international news for the company includes the addition of C. Witte & Sohn, Stadthagen, West Germany, as a distributor.

ACME expands to Hungary

ACME Motori, the Italian division of ACME North America Corp., Minneapolis, has signed a license agreement with the Hungarian company Intercooperation, Budapest. The contract grants a license to the company to manufacture engines using ACME technology and design. This is the fifth such agreement ACME has granted to another country since 1978.

Intercooperation will begin manufacturing certain engines of the ACME line that meet needs in the Hungary market for 4-cycle engines. Hungary's agricultural industry had depended on imports.

OPE dealers pursue other interests

While the average outdoor power equipment dealer is tied to his business for 60 hours per week, according to this NESDA study, he still finds time to participate in other industry and community groups.

Organization	Percentage participation
Local OPE groups	39%
Business groups	31
Service clubs	28
Nat'l. Federation of Independent Business	25
Church groups	23
American Assn. of Retired Persons	19
National Rifle Assn.	12
Volunteer fireman	10

Source: National Equipment-Servicing Dealer's Assn. 1988 membership survey

Briefs

•**Editor's Note:** Two items inadvertently were switched on sell-through information for the **Ariens Co.**, Brillion, Wis., in the February issue of *Lawn & Garden Marketing*. The company will ship its Sno-Thro POP kit to all distributors in July and its Gard-N-Yard POP kit in January.

•Bill Harper, Bill Harper's Hardware, Zelienople, Pa., won a Yamaha stereo system in a dealer drawing as part of Cypress, Calif.-based **Yamaha Power Equipment's** "Think of It as a Locomotive" campaign, conducted last July at the International Lawn, Garden & Power Equipment Expo in Louisville.

•Robert J. Hill has been promoted to director of marketing for **Kubota Tractor Corp.**, Compton, Calif. He will be responsible for the four product sales groups, product planning, market share and marketing support programs, including advertising and public relations.

•Walter Smith was promoted to Southern regional sales manager for **Rotary Corp.**, Glennville, Ga. Mark Waters was promoted to sales supervisor. He will be in charge of administration and service distributor sales.

•Dennis E. Roehrborn has been named director of marketing for **Lawn-Boy,** Plymouth, Wis. He will be responsible for product management, advertising and sales promotion, sales administration, parts and service, and international sales.

•The Engine and Transmission Group Service Division of **Tecumseh Products Co.**, Grafton, Wis., was given an award of recognition from the Tecumseh Central Warehouse Distributors. The award commemorates 30 years of support to the Central Warehouse Distributor Advisory Council.

•Jeffrey W. Nowlin has been appointed manager of original equipment sales for **The Martin Wheel Co. Inc.**, Tallmadge, Ohio.

•Janet Schultheis has been appointed distributor sales coordinator for **Sten's Lawnmower Parts Inc.**, Jasper, Ind. Her responsibilities will include the coordination of distributor activities, programs, correspondence and special projects.

Plastics legislation would affect retailers, consumers

The Degradable Plastics Act, H.R.5193, would require the Environmental Protection Agency to rule that all plastic articles be made of degradable materials. Ben Bolusky, director of government affairs for the American Assn. of Nurserymen, says the proposed legislation is intended to address the growing environmental dilemma of plastic articles, which are discarded in landfills and can take hundreds of years to disintegrate.

The bill, if passed, says that a plastic item must begin to disintegrate to an "environmentally benign subunit" 180 days after it has been discarded. Then, two years after being thrown away, the item must reach its total benign state.

A main question to be raised is how does a plastic container know it has been discarded as opposed to still being used? Bolusky questions whether existing technology can manufacture plastics that are biodegradable at a known rate.

To retailers who sell products in plastic containers that don't have a quick turnover, this legislation could mean disintegrating products sitting on shelves. For consumers who buy a product but don't use it all in one season, it could mean disintegrating packaging sitting around the home.

Bolusky says he believes the sponsors need to work out some kinks in the legislature, but that it brings added focus to environmental concerns in Congress.

NAHSA announces charter members

The North American Horticultural Supply Assn., which consists of distributors and manufacturers of hardgoods and supplies for commercial nurseries, was formed in 1988 to address a variety of concerns facing the industry. Government regulation, education, sales training and management are some of the topics being discussed by the group.

Charter distributor members include J. Mollema & Son, BWI of Texarkana, Gard 'N Wise and Wetsel Seed Co. Charter manufacturer members include Monsanto Co., Premier Brands, GE Plastics, Whitmire Research and W. R. Grace.

International show attracts strong L&G interest

Visitors to the 1988 International Garden Trade Fair in Cologne, Germany, were interested in lawn and garden products in record numbers. More than 50 percent were interested in hand- and motorized-gardening equipment; more than 50 percent in lawncare equipment; 33 percent in greenery; 30 percent in bio-chemical products; 28 percent in light and water technology; and 27 percent in greenhouses.

Due to increased interest by additional exhibitors and those who want larger booth space, the show will be expanded this year to 918,000 sq. ft.

Exports compete with U.S. products

Lawn and garden manufacturers say Taiwan and Japan top the list for countries whose exports are the toughest competition. In order of most competitive:

Country	Percent indicating	Country	Percent indicating
Taiwan	72%	Hong Kong	11%
Japan	42	Brazil	08
Korea	33	Italy	08
China	30	Canada	06
Mexico	19		
Germany	14	All others	19

Source: 1989 AHMA Government Relations Survey for Manufacturers

Briefs

•**Geo. W. Hill & Co. Inc.,** Florence, Ky., and **Independent Seed & Wire Co.,** Louisville, Ky., have merged into one company—Geo. W. Hill of Louisville Inc. Ronald Stogner is president/general manager of the new company.

•The Environmental Protection Agency approved the concentrate version of Newton, Mass.-based **Safer Inc.'s** Sharpshooter™ weedkiller. The product will be available for the spring selling season.

•**K.I.M. International Inc.,** Norcross, Ga., announced three new manufacturer's rep organizations. Joe L. Simms & Co., Salisbury, N.C., will serve the Southeast. Phillip Davis & Associates, Kent, Wash., will serve Washington, Oregon and Alaska. Selk & Schutte, Madison, N.J., will serve the Northeast.

•**Reemay Inc.,** Old Hickory, Tenn., launched a national TV ad campaign that features Roger and Marianne Staubach. The commercials for Typar® landscape fabric can be seen on such cable stations as ESPN and CNN. Other spring promotions include a dealer incentive program and a gift incentive program for professional landscapers.

•**Evans BioControl Inc.,** Broomfield, Colo., signed a licensing agreement with the University of Florida, Gainesville, to develop, commercialize and market a biological pesticide for controlling fire ants. Field testing in Florida will take place in 1989. The product is expected to have Environmental Protection Agency approval and be ready for sales in the 1991 application season.

•**Kline & Co. Inc.,** a group of international business consultants that produces the study *Consumer Markets for Pesticides and Fertilizers,* has moved to 165 Passaic Ave., Fairfield, N.J. 07006, (201) 227-6262. Its new fax number is (201) 227-6291.

•James Locker has been named president of **Melnor Industries,** Moonachie, N.J. He will manage all business operations for the company's U.S. division. Stephen Glassman has been appointed director of marketing. He will handle marketing for advertising/sales promotion, new products and information services.

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Lawn&Garden Marketing™

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Cover story: Snowthrower sales

Landscape fabrics • Female L&G buyers

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Cover photograph courtesy of The Toro Co. "From the Editor" photograph by Kevin Anderson.

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Did you know?

The aesthetic value of turf areas have been recognized since emperors in China (157-87 B.C.) maintained extensive mown grass for beauty and enjoyment.

Source: The Lawn Institute

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Snowthrowers sell with ingenuity

Some resourceful retailers found ways to sell snowthrowers this winter even with little or no snow on the ground. These retailers say advertising, the right product and target marketing helped them meet the challenge.

By Steven A. Stone, *editorial assistant*

Selling snowthrowers is definitely a challenge. Snow removal is an uncomfortable chore, and people often avoid thinking about the subject.

A survey in the January issue of *Lawn & Garden Marketing* asked readers for their thoughts on this season's sales. Of the 228 respondents, the majority—86 percent—were power equipment dealers; 14 percent were hardware/home centers.

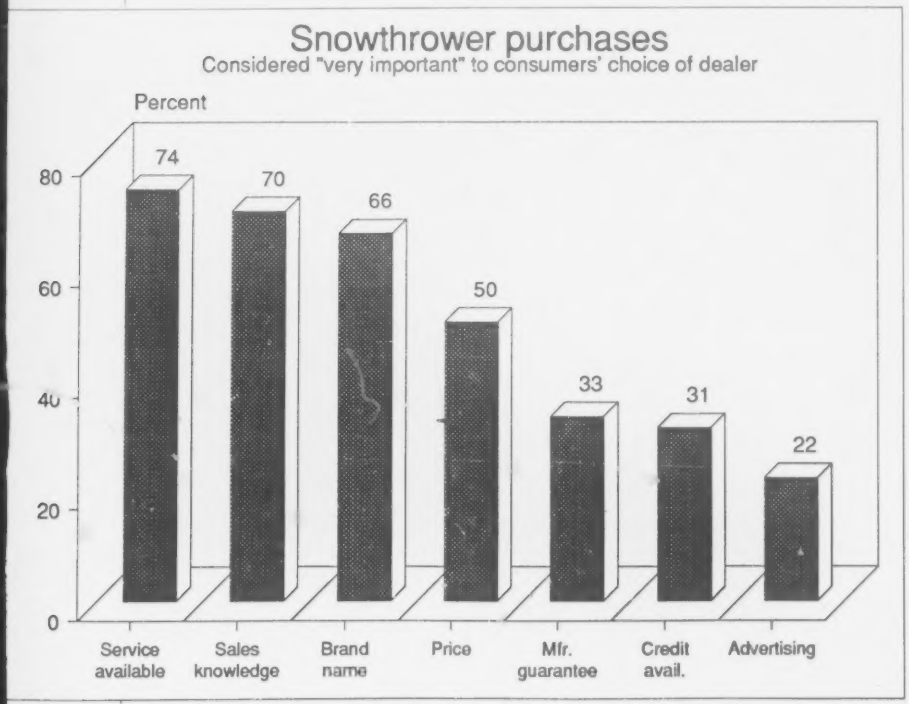
Advertising early helps sales

Considering that respondents most often mentioned October, November and December as the top three months in which their snowthrower sales were made, advertising early can make a difference in total sales for the season. Eighty-nine percent of the respondents said they advertise snowthrowers. Of those who advertise, seven percent begin advertising in August; 33 percent in September, 35 percent in October; and nine percent didn't begin advertising until November.

One power equipment dealer held an attention grabbing event. "One Saturday in October we put up a tent where customers [could] look at our different snowblowers on display, talk to sales reps from the different manufacturers and enjoy hot dogs and hamburgers provided by a local grocery store. We did sell some equipment during our Snowblower Bonanza, but even more people came back later," said Jim Kosciolkio, Fraser Lawn Center Inc., Fraser, Mich. Several other respondents pointed out that pre-season advertising can pay off in sales once snow falls.

Some stressed that cross-merchandising also pays off. One hardware dealer puts the snowblowers near the shovels and salt. "We also put out a copy of *Consumer Reports*, and it doesn't hurt that we carry the top rated models," said Anthony F. Russo, Russo Ace Hardware & Power Equipment, Chicago.

Fifty-one percent of the respondents said they believe advertising is somewhat important to a consumer's decision to buy. The rest of the respondents were nearly evenly divided in their beliefs on advertising's importance: 22 percent said they thought it was very important, but 24 percent said it was not important.



Options consumers look for

Fifty-one percent of the respondents said they think electric start is somewhat important to consumers; 44 percent ranked it very important. "Electric start is a must," said one reader in Illinois.

Self-propelled ability was ranked as very important by 59 percent of the respondents, while 36 percent ranked it as somewhat important. Surprisingly, only 4 percent said track drive was very important.

Forty percent of the retailers thought the level of horsepower was very important to consumers. "Higher horsepower, smaller frame units seem to be the trend," said Wayne Thompson, Dutchess Outdoor Power Equipment Corp., Wap-

Photo courtesy of The Toro Co.

pingers Falls, N.Y., and many respondents agreed with him. Another trend that was noticed by respondents is that "more people are keeping two blowers: a large two-stage for heavy wet snow and small single-stage for smaller, lighter snows," said Susan Gaulle, Speedway Sales and Service, Wauwatosa, Wis.

Price was ranked as very important to consumers' decisions to buy by half the respondents. As for the types offered by stores, most of the respondents had all the bases covered. Eighty-eight percent offered single-stage units; 98 percent offered dual-stage; and 88 percent offered electric units.

What makes a store stand out?

Seventy-four percent of the retailers thought that service availability was very important when customers were deciding where to buy. In contrast, only 33 percent said manufacturers warranties were very important to consumers. This shows that consumers are probably more interested in having a place to get their equipment fixed rather than a promise that it will not break down.

Seventy percent of the respondents rated salespeople's knowledge very important to a customer's purchasing decision. "We try to show a little bit more care," said Kosciolkio, "and our preferred customer program shows that." Modifying an idea that had worked well with lawnmowers, the store offers a free gas can, two cans of free oil every winter and a discount on parts to people who buy snowblowers.

Brand name was ranked very important to consumers by 66 percent of the respondents. Elroy Schalow, M & J Sports Inc., Wausau, Wis., remembers one customer who asked for a particular brand 8-hp snowthrower and bought it without asking the price.

Who's buying snowthrowers?

According to survey results, three types of people are more likely to buy snowthrowers: older people, young professionals and people who already have snowthrowers.

Senior citizens, often aware of potential health dangers of shovelling snow, have more than the usual reasons for wanting to buy a snowthrower. As Schalow pointed out, there are not as many young people shovelling snow for money as there used to be, and older people need a way to clear snow from their drives and walks.

Another reader, Kay Erikson, Highland Repair, St. Paul, Minn., noticed increasing sales to younger professionals. These people often have more disposable income because both wife and husband work, but less time to spend doing chores such as snow removal. They want equipment that will help them get the job done quickly and with as little effort as possible.

People who already have snowblowers also are more likely to purchase snowthrowers. A survey by the Outdoor Power Equipment Institute showed that 36 percent of snowblower sales are replacements. "People who have owned snowblowers that now need replacing, or whose parents owned snowblowers, are our two types of customers," said Schalow.

The key to selling snowthrowers when there's no snow on the ground is to advertise, have the right product and target the people who need them. The threat of snow, along with good salesmanship, will move product. Robert Pennington, Southside Mowers, Tulsa, Okla., said "You would not think Oklahoma would be the place to sell snowthrowers but a little snow goes a long way."

With creative ideas that let the consumer know snowthrowers are an easy alternative to the shovel and salt, sales can increase in your store. —LGM

Power Equipment Report

Buy-back legislation gets attention at state level

Buy-back legislation, a hot topic to dealers, distributors and manufacturers, currently is being considered by several state legislatures. If passed, the laws would require suppliers to buy back equipment from dealers if the supplier terminates the agreement. While the details vary from state to state, all the bills state that the supplier will reimburse the dealer for a certain percentage of the purchase price of new and unused equipment.

Utah's bill was signed into law by its governor in March. A buy back bill in Indiana died in committee. A Kansas bill suffered the same fate, but will be reconsidered in 1990. The Missouri Senate considered a bill at the end of March; another bill is in a House committee.

Norman Beck, executive director of the National Equipment Servicing-Dealers Assn. says his organization would prefer that the government not pass the legislation. "We understand the need for buy back, but rather than leave it to the government, we would much prefer to have it spelled out in contracts with suppliers."

Beck says if contracts with suppliers spelled out the performance requirements and obligations of the dealer and guarantees by the supplier, no such legislation would be needed. NESDA currently is drafting such a contract, which if dealers and suppliers approve, could become an industry standard.

Conference promotes goodwill

More than 100 dealers, distributors and manufacturers met in Cincinnati to discuss industry business practices and ways to make the industry work together more smoothly. The conference was sponsored by the National Equipment-Servicing Dealers Assn.

Topics included direct sales from supplier to end-user, will-fit vs. OEM parts, multi-line inventory vs. one-line dealerships, JIT purchasing vs. dating and more.

Sponsored by NESDA, the conferences are intended to help improve relationships between dealers and suppliers.

CPSC reauthorization yet unknown

U.S. Rep. James Florio, R-N.J., was appointed to a second term as chairman of the House Energy and Consumer Protection and Competitiveness Subcommittee. He intends to introduce a reauthorization bill for the Consumer Product Safety Commission early this session.

The Senate Commerce Subcommittee on Consumer Protection, under the direction of new chairman Sen. Richard Bryan, D-Nev., could alter the content of the House bill substantially. However, Bryan was a strong consumer advocate when he was attorney general and governor of Nevada.

'88 portable power shipments/'89 forecast

Respondents to the 1989 survey of manufacturers of gas portable power equipment and their component parts said shipments increased in 1988 vs. 1987—particularly in blower categories—but less substantial increases are expected in 1989.

	1988 vs. 1987	1989 projections
Chainsaws	+ 2%	NC
Trimmers/brushcutters	+10%	+ 4%
Hand-held blowers	+42%	+ 1%
Back pack blowers	+20%	+ 6%
Portable generators	+ 4%	NC

NC = no change forecasted
Source: Portable Power Equipment Mfrs. Assn.

Briefs

• Husqvarna Power Products, Itasca, Ill. has changed its name to **Husqvarna Forest & Garden.** The new name more accurately reflects the company's offerings, says William Farrell, president of marketing and distribution in North America.

• Richard E. Robinson is now serving as president and CEO of **Snapper Power Equipment,** McDonough, Ga. Clifford H. Boylston, executive vice-president, has added the responsibilities of all engineering and manufacturing. Don B. Weakly was named executive vice-president. Russell Rouse was appointed vice-president of engineering, and Frank Hancock is vice-president of customer service.

• Alan Y. Levanson was promoted to president of **Homelite Division of Textron Inc.,** Charlotte, N.C. He formerly was vice-president of marketing and sales.

• The National Equipment-Servicing Dealer's Assn. elected officers for 1989: president, Jerome Novekosky, Novekosky's Lawn Mower Center, Big Sewickley, Pa.; vice president, Joanne Klee, Jim's Lawn Equipment Inc., Cheektowaga, N.Y.; secretary, Elaine Foltynewicz, Richard's Lawn & Garden, Ottawa, Ill.; and treasurer, Kenneth Watjen, Georgie's Power Equipment, North Dartmouth, Mass.

• **Briggs & Stratton,** Milwaukee, has been awarded a federal grant for promoting literacy in the workplace. There will be courses in reading, writing, math, technical areas and other subjects. The classes will be offered year round and will feature computer aided, individualized, self-paced study.

• David H. Morris has been elected president of **The Toro Co.,** Minneapolis. He was formerly COO of the company and will retain that position.

• Richard H. Webb was named OEM accounts manager for **Lawn-Boy,** Plymouth, Wis. Steve Wells was appointed product manager for the heaters, trimmers and tillers division.

• A patent has been granted to **Simplicity Mfg. Inc.,** Port Washington, Wis., for its Turbo Collection system. Through a belt-driven steel fan blade, the system allows users to collect heavy grass and leaf clippings in a single pass.

Retail Marketplace

GCA clinic offers retailers management assistance

Garden center retailers got some insight into how others manage businesses under stressful conditions and a forecast for the future of the industry during two retail seminars at the Garden Centers of America Management Clinic in February.

"A drought is an opportunity," said Louis Hillenmeyer III, of Hillenmeyer Nurseries, Lexington, Ky. The panelist cited examples of how his company turned negative media coverage of the drought into positive publicity for his company and actually created sales.

"I thought the industry had to take a positive look," he said. So, Hillenmeyer went to the press and offered tips on how to preserve water, how to reuse air-conditioner and dish water, and suggested watering practices. Employees of the company were advised on how to sell products like mulch, soaker hoses, root feeders and the like. Hillenmeyer said the efforts paid off both in the form of good will and sales.

In a separate seminar, Manny Shemin of Shemin Nursery, Greenwich, Conn., discussed problems facing the future of the industry. He cited the industry's approach of being production-driven rather than market-driven and the shortage of quality labor as two critical problems.

"The consumer is the last person that has been considered," said Shemin. "I think it is time that as a united industry we find out what the public wants and find a way to give it to them (rather than let the manufacturer decide.)" Shemin said he felt the effort was essential for the industry to effectively combat other leisure industries for disposable income.

The shortage of quality labor is another problem. Shemin said enrollment in horticulture fields has declined significantly at universities in the last 10 years; he credited low pay and few incentives as major factors. "There is something about our industry that is not desirable, and wages are the most important factor." Shemin said increasing employee wages was critical to the longevity of the industry; and he suggested that employers hire good business people and train them in horticulture. "The success of your business depends on it."

The seminars were just two of five retail sessions offered at the annual clinic held in Louisville, Ky.

Quikrete sues Nomix

The Quikrete® Co., Atlanta, has won the right to proceed in a lawsuit against Nomix Corp., Conn., for antitrust violation and illegal patent activities involving Quikrete® Fast-Setting Concrete. Evidence showed that Nomix had attempted to go beyond the patent law and had threatened Quikrete and its licensed manufacturers.

Quikrete® initiated a suit against Nomix in May 1988, as a result of threats and allegations by Nomix claiming that Quikrete Fast-Setting Concrete infringed on its patent for a similar product. Nomix filed a suit in July 1988 in Connecticut against Quikrete for patent infringement and contested Quikrete's right to proceed in Georgia. There is a dispute over whether Nomix has a valid patent to "method of application." Quikrete claims that they have another product, which uses the same method in question, that has been on the market since 1952.

A federal district judge in Atlanta soon will determine whether Quikrete infringed on Nomix's patent or not. Quikrete also charges Nomix with harassing customers and impairing the free enterprise system.

Gardening tips broadcast nationwide

"Up and Growing," a new series of one-minute gardening tips, currently is running on CNN and HNN. The shows are scheduled to air at least 30 times per week starting this month and run through August. Security Products Co., Atlanta, is sponsoring this educational series.

They feature Jim Bennett, who also hosts "The Weekend Gardener" series that airs weekly on cable and syndicated commercial TV stations.

Briefs

• The National Lawn & Garden Distributors Assn. will hold its annual convention June 29 - July 2 in Vancouver, British Columbia. The NLGDA hopes to increase the value of its meeting by holding it before the National Hardware Show® and encouraging manufacturers to preview their new products to the distributors. The NLGDA previously has held its convention in September.

• **Novelty Mfg.,** Lancaster, Pa., added 13,500 sq. ft. to its facility. of production, storage and employee facilities. The additional space is devoted to the manufacturing of the company's new gutter cover, expansion of its flower box bracket manufacturing, expanded paint storage and warehousing.

Analysis of 1988/1989 landscape sales

The majority of respondents to the 14th annual landscape business survey said that sales had increased in 1988 vs. 1987; they are expecting a positive sales year in 1989 as well.

	% Indicating sales		
1988 sales:	**Up**	**Same**	**Down**
New residential	74%	9%	17%
Residential renovation	69%	21%	10%
Residential maintenance	63%	31%	6%
1989 sales forecast:	**Up**	**Same**	**Down**
New residential	84%	12%	4%
Residential renovation	78%	21%	1%
Residential maintenance	61%	32%	7%

Source: National Landscape Assn. 1989 survey

Distributors look to the future

The emphasis was on taking the power equipment business into the '90s at the ninth annual gathering of the Outdoor Power Equipment Distributors Assn. The group met for its annual meeting in late February in Tucson.

New officers elected for 1989 term

Jim Kenney, Kenney Machinery Corp., Indianapolis, will serve OPEDA as its new president for 1989. In the vice president's position is Richard Fischer, Branch Distributing, Minneapolis. Steven Redan, KPM Distributors, Kenvil, N.J., is the new secretary; and Steve Holloway, KanCo Distributing, Wichita, Kan., will serve as treasurer.

Although the emphasis was on the '90s, thoughts were on the '80s. Noting the toll the drought had on the industry this year, W. Scott Smith, past OPEDA president reminded attendees, "It will rain again. Let's keep the faith."

Guest speakers for the three-day event included economist Larry Chimerine, chairman and CEO of Wharton Econometric Forecasting Associates. Chimerine talked about issues facing today's economy.

Chimerine said the United States has experienced one of the longest periods of economic growth in history. He credited the sustained growth with the intensity of the 1982 recession, pent up demands, decreased taxes, foreign finance of debt, low oil prices and low interest rates.

Although Chimerine said he is not predicting a recession, he said the business sector will not see the rate of growth it has seen recently. "If there is going to be a recession, there is no evidence that one is here or is about to begin. Interest rates are moving up, but not enough to choke the economy; credit is still available; consumer optimism is high....So, we'll see slower economic growth. A two percent annual growth will not be spectacular, but not threatening."

He credited three factors in reducing economic growth: loss of competitiveness in the world marketplace, large private debt and the large federal deficit. He said the industries that are slowing are those that are dependent on domestic sales. "The retailing segment is simply not as buoyant as it has been," he said.

Chimerine foresees a slower and riskier

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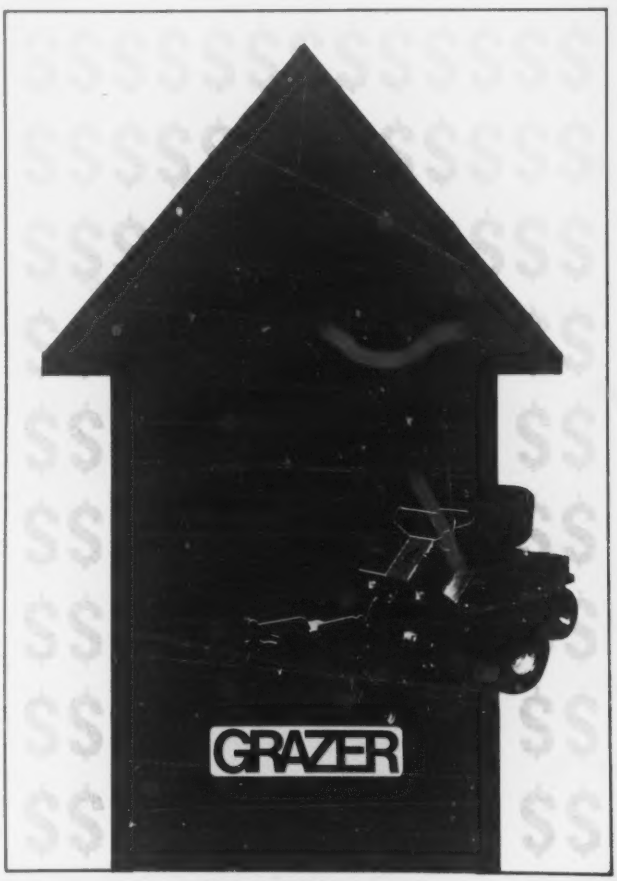

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business environment. He advised, "Don't jump into a bomb shelter but be more conscious and conservative, focus on cost side, improve productivity, be flexible and be selective."

Seminar mixes business with humor

In another session, distributors and OPEDA associate members were treated to a humorous look at common business sense. Ed Foreman, Executive Development Systems, Dallas, showed attendees "How to make every day a good day," through the power of positive thinking. "It's not so important what happens to you as how you react to it," he explained. "Talking about a bad situation makes it worse."

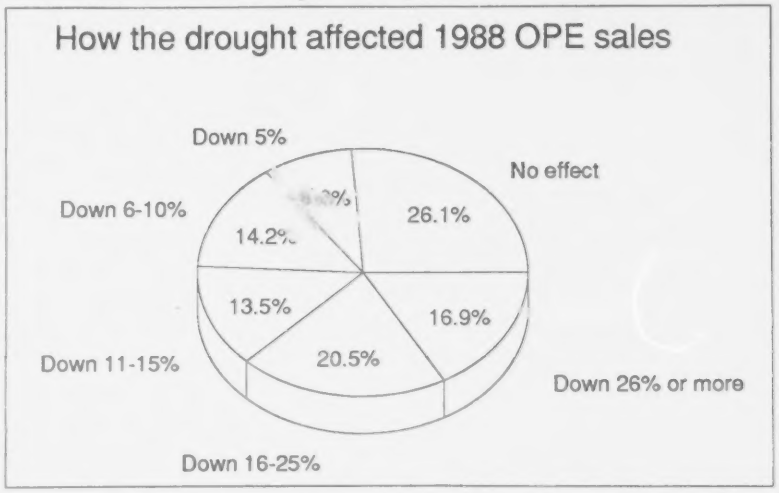
OPE dealers profiled

During one morning business session, *Lawn & Garden Marketing* presented a glimpse of its recent study profiling the power equipment dealer. The study was produced by *LGM* with the cooperation of OPEDA.

The study includes power equipment consumer profiles and motivations; retailer media choices; use of co-op; product knowledge; and rankings of distributor incentives and services.

Some results from the survey showed that only 26 percent of power equipment dealers say the 1988 drought did not affect 1988 sales. Yet, 9 percent said sales were down 5 percent; 28 percent said sales were down 6-15 percent; 20 percent said sales were down 16-25 percent; and 17 percent said sales were down 26 percent or more.

Further results from the study will be published in the July issue of *LGM;* the complete study, which consists of more than 100 pages, will be for sale later this year. **—LGM**



Lawn & Garden Marketing presented a sampling of the results of its study of outdoor power equipment dealers at the meeting, including information such as this. Additional results will be published in the July issue of LGM.

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Lawn&Garden Marketing™

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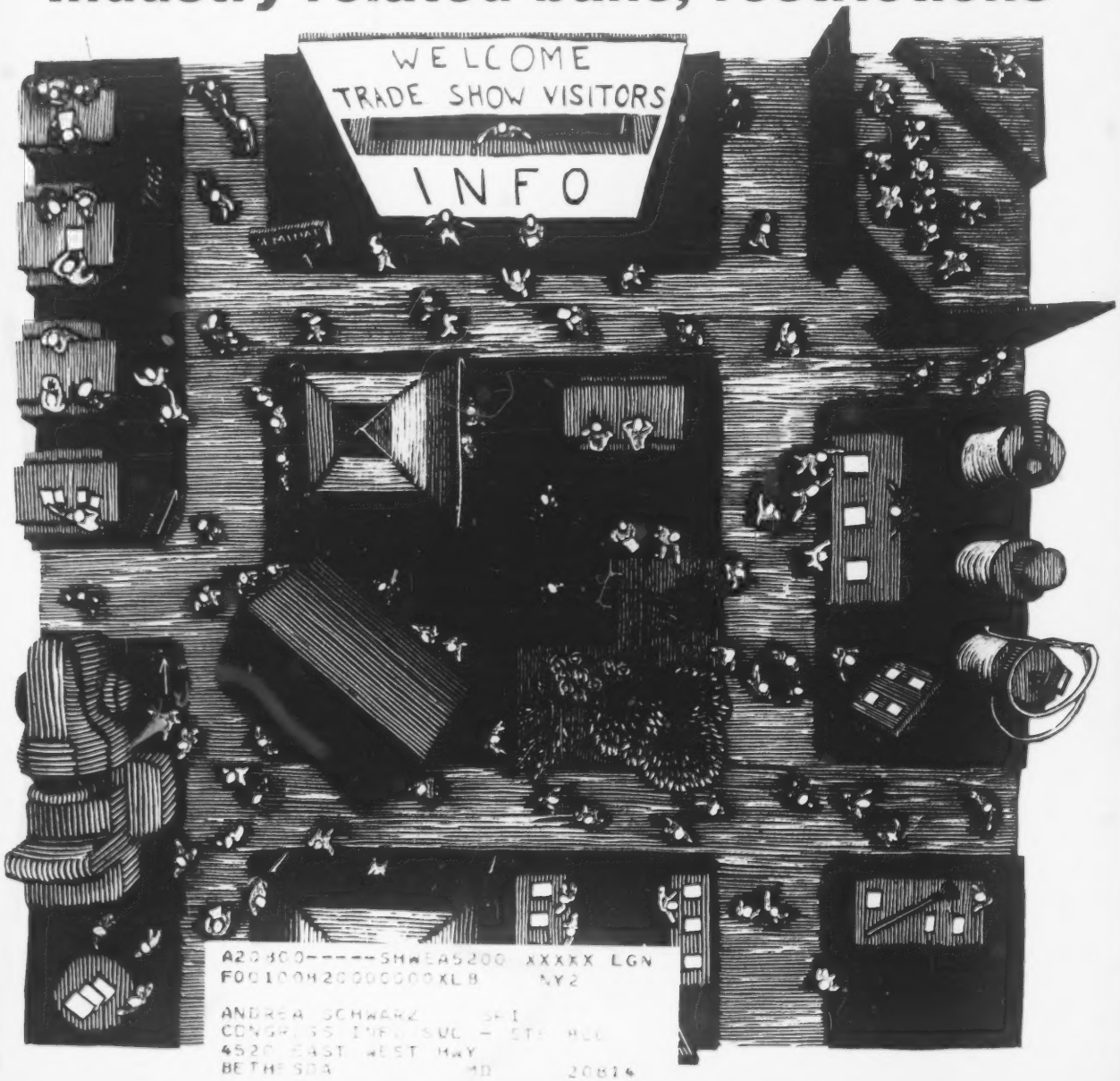
Cover story: Trade show overviews

Industry-related bans, restrictions



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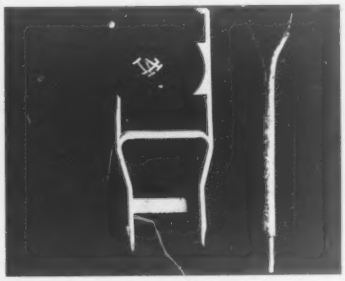

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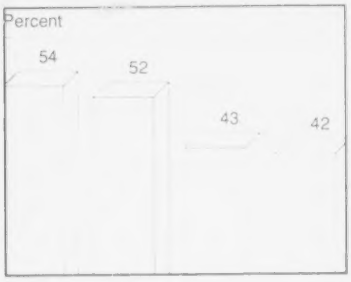

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Did you know?

By far, the most popular retail outlet for lawn and garden purchases by consumers are garden centers/retail nurseries, followed by hardware stores, mass-merchandise/discount stores, feed/seed stores, supermarket/drug stores, home centers and mail order houses.

Source: 1988-89 National Gardening Survey

Cover illustration by C.B. Mordan. "From the Editor" and "Speaking of Power" photographs by Kevin Anderson.

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Feedback

By Wendy A. Bishop, *associate editor*

Trade show attendance

We live in an information society. Those who get ahead are the ones who have knowledge. Information gives you an edge in today's competitive marketplace. It keeps you ahead of the pack. Attending trade shows can help give you that edge.

Eighty-eight percent of the respondents to a *Lawn & Garden Marketing* questionnaire said they had attended trade shows in the past.

Garden center retailers were the most likely to have gone to a show with 94 percent reporting attendance. Power equipment dealers weren't far behind—85 percent said they had been to trade shows. Hardware store/home center retailers, with an 81 percent attendance rate, were the least likely to have attended.

Many retailers who responded said they were looking for tangible, useable gains from a trade show. "[I want] more info on what's up and coming, how to stay ahead, distributor order programs...that really mean something," said Lyle Allen Jr., Allen's Garden Center, St. Louis, Mo.

Power equipment dealers agree. Richard Paul, Paul's Sales & Service, N. Salt Lake, Utah, said he's looking for "information that makes us more valuable to our customers."

Of those respondents who said they hadn't attended trade shows, most—59 percent—said the shows were too costly; 41 percent said trade shows were too far away.

Reasons to attend

The No. 1 reason to attend trade shows most likely to be mentioned by respondents was to see new products. Sixty-four percent of the power equipment dealers, 60 percent of the garden center retailers and 52 percent of the hardware/home centers readers agreed.

The second most often mentioned reason to attend trade shows was to look for new suppliers. Thirty-four percent of the garden center respondents, 19 percent of the hardware/home center retailers and 30 percent of the power equipment dealers ranked said it was important.

While attending educational seminars also was mentioned as important, several respondents said they would like to see more seminars with information that can be used in day-to-day business operation.

Seminars are playing a larger role at many trade shows. Dave Rabuck, Town & Country Nursery, LaValle, Wis., says he has changed his approach to attending trade shows. "We now concentrate more on seminars and less on trade shows."

Retailers are most interested in attending seminars on merchandising and sales techniques. Garden centers and hardware/home centers ranked merchandising first, sales techniques second and general business third. Power equipment dealers were more interested in sales techniques and ranked it No. 1.

Which shows are attended

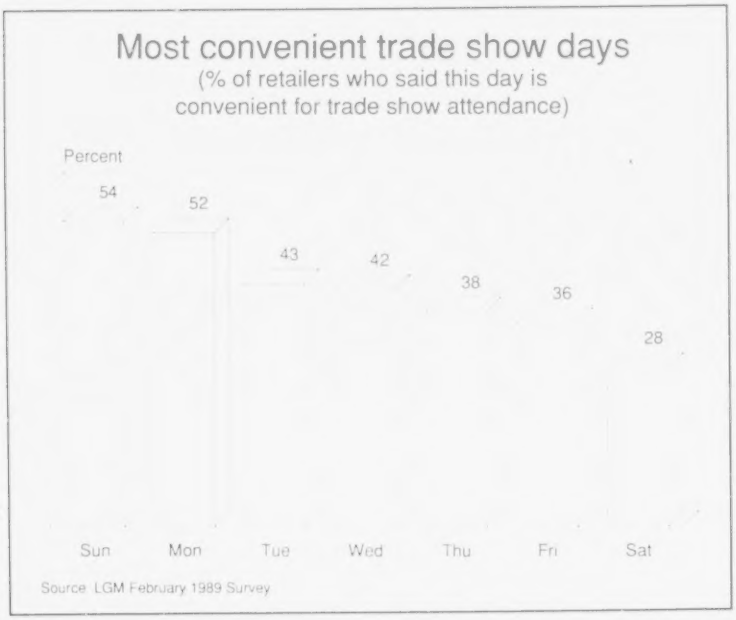
Distributor shows ranked the highest for attendance. Hardware/home centers said they were most likely to attend; 87 percent had attended one in the past. Sixty four percent of the power equipment dealers who responded said they had attended distributor shows in the past, while 52 percent of the garden centers had gone.

Garden center respondents were the most likely to have attended a regional trade show. Twenty-four percent had been to the Pacific Horticultural Trade Show; 18 percent had attended Penn Allied Nursery Trade Show; and 15 percent had been to the Farwest Show & Ornamentals Northwest Seminars.

One might think that power equipment dealers would top the list of attendees at the International Lawn, Garden & Power Equipment Expo. However, 39 percent of hardware/home center respondents said they had attended, while 30 percent of the power equipment dealers reported attendance.

Hardware/home center retailers also topped the list of National Hardware Show® attendees; 29 percent had been to the show. Garden center respondents came in second, with 22 percent reporting attendance.

Retailers attend trade shows for numerous reasons and all have different goals they would like to accomplish, but Pat Martin, Martin's Garden Center, summed it up most simply, "You go if you have a desire to gain more information." **—LGM**



Wendy A. Bishop is the associate editor of Lawn & Garden Marketing. Each month she calls on retailers of lawn and garden products across the United States to discuss topics of relevance to their businesses. Retailers also are queried each month through surveys in Lawn & Garden Marketing. The results of these surveys are compiled by the LGM research department for use in the magazine and the industry at large.

Ra-Pid-Gro production moved

The Ra-Pid-Gro® production facility in Dansville, N.Y., closed June 1. Production has been moved to Fort Madison, Iowa, to consolidate operations with an existing plant there.

In other news from Chevron, its Ortho Consumer products division has developed a contest that enables both dealers and users to win prizes.

In the "Everything's Coming Up Roses" contest, consumers have a chance to win one of four trips to the 1990 Rose Bowl. The dealers named on the winning entries will receive a matching trip. The trips include transportation, hotel accommodations, tickets to the game and parade, passes to Disneyland and $1,000 cash. Hundreds of runner-up prizes also will be awarded.

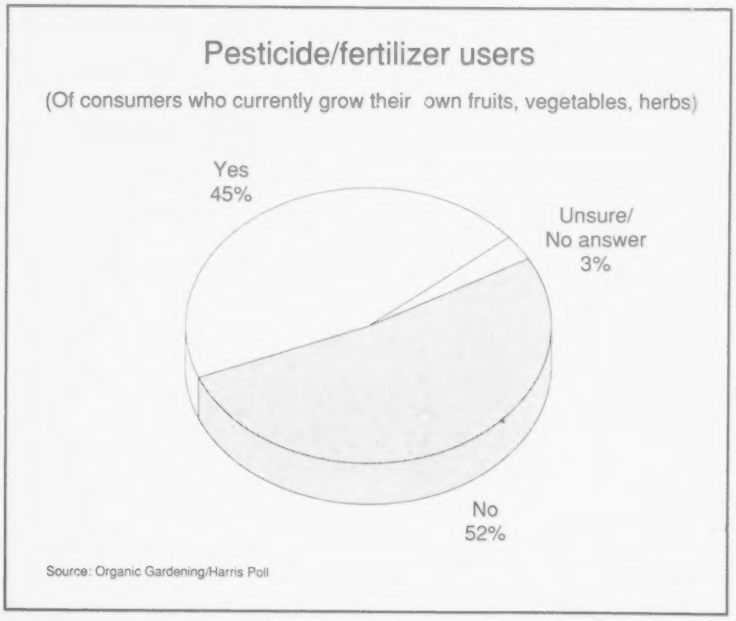
Ortho has a full line of advertising support for the contest, including national print and regional spot television advertising and POP materials. Contest deadline is Aug. 31.

California L&G market studied

A study of California gardeners has just been completed by the University of California Cooperative Extension. According to the study, more than 25 percent said their reason for gardening was to increase their property value. Caring for container plants is the most common gardening activity, and nearly half of California gardeners turn to garden supply or nursery salespeople for answers to their gardening questions.

Outlining the importance of this kind of study, Ted Stamen, urban horticulture adviser for U.C. Cooperative Extension in Riverside County, says, "Retail sales of lawn and garden products reach over $2 billion each year in California, so the lawn and garden industry needs an accurate profile of the California gardener to plan effective marketing and educational programs."

A report titled "Marketing Study of California Lawn and Garden Consumers," summarizes the results of the study and includes detailed demographic information based on statistically significant comparisons. The report is available for a nominal fee from the U.C. Cooperative Extension, 21150 Box Springs Road, Moreno Valley, CA 92387.



Briefs

• The Professional Plant Growers Assn. has released a video called "Blooming Profits." The training video covers all the basics of fundamental care of plants and proven marketing techniques. The 15-minute video is a fast way to acquaint employees with garden marketing, and it also comes with employee booklets to reinforce the concepts. For more information, contact PPGA at P.O. Box 27517, Lansing, MI 48909, (517) 694-7700.

• **WadeRain,** Beaverton, Ore., has appointed Eastern Sales and Marketing as its new representative for the Acu-Drip System. Five sales reps will cover territory in the southeastern United States.

• Larry Kujovich joined **The Toro Co.,** Minneapolis, as vice president of irrigation products. He will be based in Riverside, Calif., and will oversee all activities relating to the company's line of sprinklers, valves and controllers.

• Robert D. Rudow was appointed national accounts manager for the lawn and garden business group of **Monsanto,** St. Louis. Rudow will manage selective distributor accounts and coordinate marketing activities.

• Under a new organizational plan at **Safer Inc.,** Newton, Mass., Jack Hesse was named chairman by the board of directors. A management committee of senior executives will be chaired by vice president Marc E. Goldberg.

• **Century Rain Aid.** Madison Heights, Mich., is expanding its headquarters to accommodate a new computer system. The system will allow customers to have instant inventory information on the availability of products.

• Joel Albizo is the new administrator of The Garden Council. He will manage the day-to-day operations of the Council and coordinate the marketing and public relations programs. The programs are aimed at promoting horticulturally-related products to the general public.

• **Weathashade Corp.,** Orlando, Fla., soon will export its garden fabrics to Brazil. Weathashade is recognized by *INC.* magazine as one of the 500 fastest-growing corporations in the United States.

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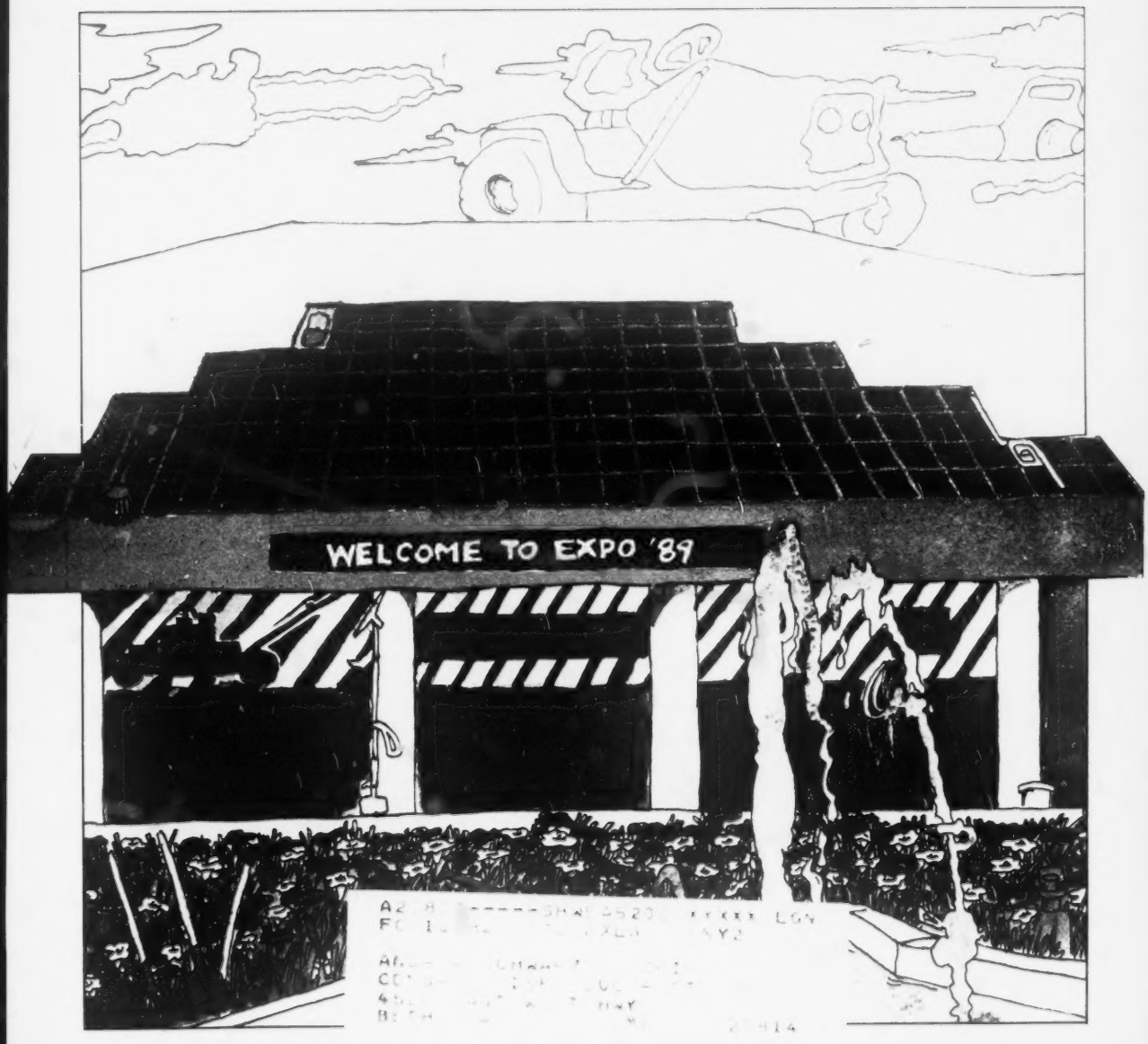
JULY 1989

An Intertec publication

Cover story: You can find it at Expo 89

OPE dealer profiles • Customer surveys



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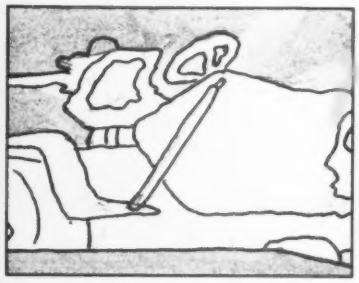

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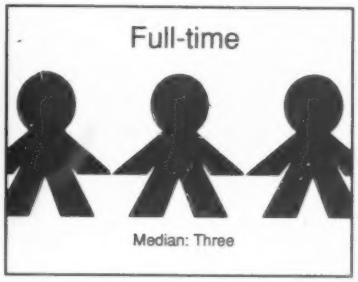

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Many manufacturers in this industry are meeting consumers' needs for easier ways to complete tasks with battery-powered cordless products. How do these products currently fit into your product mix, and perhaps more importantly, how will they fit into your plans for the future?. 9

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Did you know?

Sixty-seven percent of independent OPE dealers say trade shows are a "very effective" way to find out about new products; 56 percent say the same of distributors' representatives; and 54 percent say manufacturers' reps.

Source: 1989 *Lawn & Garden Marketing* study "Anatomy of a Power Equipment Dealer"

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From the Editor

I have heard some comments lately that remind me of a game children often play in school. In this game called "Telephone," classmates stand in a line and the teacher whispers a phrase in the first child's ear. That child then repeats the statement to the next child, and that child to the next, and so on down the line until the last child in line repeats aloud what he has heard. Usually the whole class laughs because by the time the phrase gets to the last child, it barely resembles the original statement.

I have the impression that someone is playing this game with the lawn and garden industry, but I don't think anyone is laughing. The phrase that is being repeated is that Mom & Pop retailers are not going to be in business much longer. If this is indeed true, someone forgot to tell the Moms & Pops. Most importantly, the facts don't substantiate the comment.

I think part of this rumor can be attributed to the misuse of the term. "I think the perception is that the typical 'Mom & Pop' operator is a man in bib overalls, plaid shirt and wheat between his teeth," explains Charles Dunn, founder of the Garden Center Institute, Atlanta. "That's just not the marketplace."

In reality, the term is meant to describe an independently owned or family-owned and operated business; it is not meant to describe limitation of size, dollar volume or business expertise. Pike Nurseries of Atlanta is a perfect example of a Mom & Pop retailer. Is it going out of business? I doubt it. According to an annual report, Pike is ranked 18th out of a list of the top 100 lawn and garden retailers in the United States and reportedly made $42.5 million last year from some 16 retail outlets. And of independent OPE dealers, almost one in five make $1 million or more per year and typically from a single outlet.

Is the business environment growing less favorable for independents? Not according to the U.S. Census Bureau. In 1980, there were 6,300 retail nurseries and garden stores in operation. In 1985, there were 8,500, and in 1986 there were 8,800. Since 1980, this part of the industry alone has grown in number of outlets by nearly 40 percent. These numbers do not include hardware or power equipment retail outlets, two other major independent retail categories that this magazine's own circulation figures show have grown in a similar proportion.

I think if we were to trace the comment of the demise of Mom & Pops to its original source, we would more likely hear something like: "Mom & Pop retailers of the future, who want to compete effectively in the marketplace, will fine-tune marketing strategies, capitalize on specialty marketing niches and focus on their areas of expertise in product knowledge and service." Most independents are already doing just that and they will continue to thrive.

I do think in the future we'll see more lawn and garden independents joining forces with co-ops that will allow them to retain their independence yet give them buying clout and merchandising assistance. But most importantly, I share Charlie Dunn's opinion. The statement that Mom & Pop stores are going out of business is, as he says, "absolutely absurd."

Susan L. Anderson

Lawn&Garden Marketing

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ABP INTERTEC PUBLISHING VBPA

By Wendy A. Bishop, *associate editor*

Servicing dealer profile

The majority of servicing dealers who answered a survey in the March issue of *Lawn & Garden Marketing* feel positive about the future. More than half said they plan to expand their businesses in the next three years, and one in three have no plans to change the size of their operations.

Of the seven percent who said they either plan to reduce the size of their operations, retire or sell out, several mentioned the high cost of liability insurance as one reason. After 35 years in business, Roger Liberty, president, Liberty Lawnmower, Chicago, said, "With insurance costs, it's not worth being in business anymore."

Very few respondents lamented about the drought conditions over the past few seasons and chose, instead, to discuss the positive factors of being a servicing dealer. "[I] enjoy being a part of a vital service to the community," said Paul Faber, owner, Faber's Small Engine Equipment, New Lexington, Ohio.

The survey, which is based on responses from more than 260 independent power equipment dealers, demonstrates that service can be a profit center for dealers.

Most—34 percent—of the respondents said they derive 21-40 percent of their annual sales from repair services. 29 percent said repair services generate 41-60 percent of their annual sales.

One subject that nearly all the respondents agreed on was that service helps sell the product. "Sales and service go well together," said Paul E. Yoder, owner, Small Equipment Service Center, Union, WV. "If money is available, people buy; if not, they get the old fixed. Either way helps us."

Service fees

When it comes to charging for service, there were as many different opinions as there were respondents. Shop labor rates varied anywhere from a low of $10 per hour charged by one Pennsylvania dealer to a high of $50 an hour charged by one New York dealer. The median shop labor rate was $29.85.

Dealers also had a variety of charges for the specific services they provide. While some simply charge their regular shop labor rate plus parts for jobs like tune-ups, others have a set fee.

Of the 92 percent of the dealers who do tune-ups, the high charge was reported by a dealer in Minnesota—$100; the low was $12.50 reported by dealers in Indiana and Texas.

Although many of the 81 percent who do visual estimates said they don't charge, a high of $25 was reported by dealers in New York and Texas. Many of the 78 percent who do tear-down estimates don't charge or eliminate the charge if the equipment is actually serviced. The high was reported by a dealer in Minnesota who charges $75.

More dealers pick up riders—81 percent—than deliver them—73 percent. Of those who do, the low reported was no charge and the high of $50 each way was reported by a dealer in California.

The same is true for pick up and delivery of walk-behind mowers. Eight percent of the respondents said they pick up, but only 70 percent deliver. As expected, the low was no charge, the high was reported by a Texas dealer who charges $30 each way.

Many dealers don't have a fixed rate for pick up and delivery; they charge by the mile. A low of 20 cents per mile and a high of $1 per mile were reported.

The backbone of servicing dealers

Good mechanics are what differentiate a profitable dealership from an average shop. Respondents agreed that without qualified mechanics they would be lost.

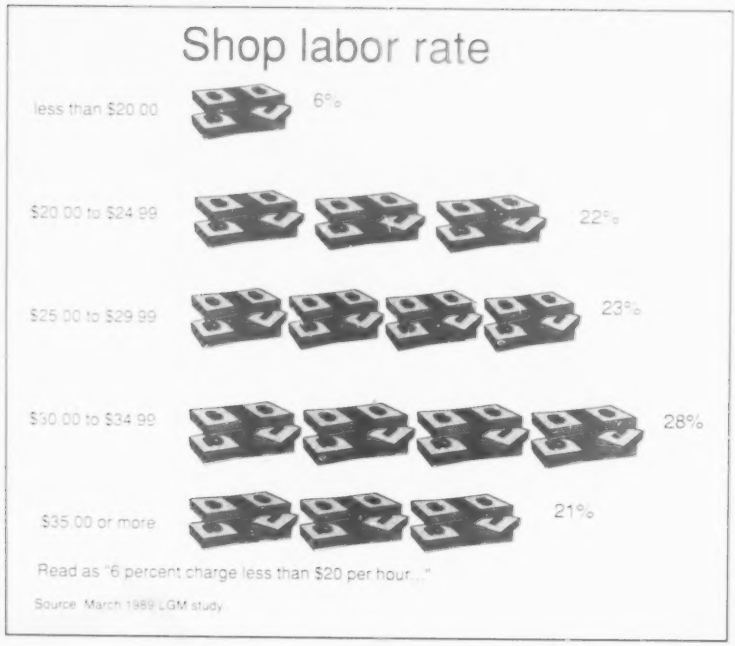
Ninety-four percent of the respondents said they employ at least one full-time mechanic. Thirty-four percent of those employ two full-time mechanics; 15 percent employ three or four; and only 4 percent employ five or more.

Nearly half of the respondents—48 percent—employ at least one part-time mechanic. Most—33 percent—employ one; 14 percent employ two; and only 2 percent employ three or more.

More than one in three dealers employs at least one seasonal mechanic. Twenty-four percent of those employ one; 9 percent employ two; and 3 percent employ three or more.

In order to become qualified technicians, small engine mechanics get their

continued . . .



Wendy A. Bishop is the associate editor of *Lawn & Garden Marketing*. Each month she calls on retailers of lawn and garden products across the United States to discuss topics of relevance to their businesses. Retailers also are queried each month through surveys in *Lawn & Garden Marketing*. The results of these surveys are compiled by the LGM research department for use in the magazine and the industry at large.

Where are all the good mechanics?

What brings customers to a shop?

Servicing vs. service

Many of the dealers who related stories of success expanded on their definition of service. To some it meant the actual repair of equipment, but to others it included total customer treatment. "Always be fair, honest and helpful," said Aram J. Noorigian, manager, Friendly Sales & Service, Shallotte, N.C. "Show the customer that you are here to serve him and he will always be back."

Another dealer said, "Our service is built on customer satisfaction no matter what the obstacles," said Richard Tidwell, owner manager, Coastal Lawn & Leisure, Panama City, Fla. "I handle all customer problems personally."

Larry N. Wyneen, owner, Larry's Engine Clinic, Shawano, Wis., continued a step further. "Quality service at a profit is the only way for an independent retailer to survive in this competitive market."

One complaint several respondents had was that because mass-merchants do not service the equipment they sell, independent dealers are getting a great deal of warranty work on equipment they did not sell, which cuts into profits. However, at least one dealer feels this business is the wave of the future. "We will have to cooperate with mass merchandisers and service what is sold because this is what [the industry] is going to," said A.J. Robinson, owner, Robinson Lawn & Garden, Stigler, Okla.

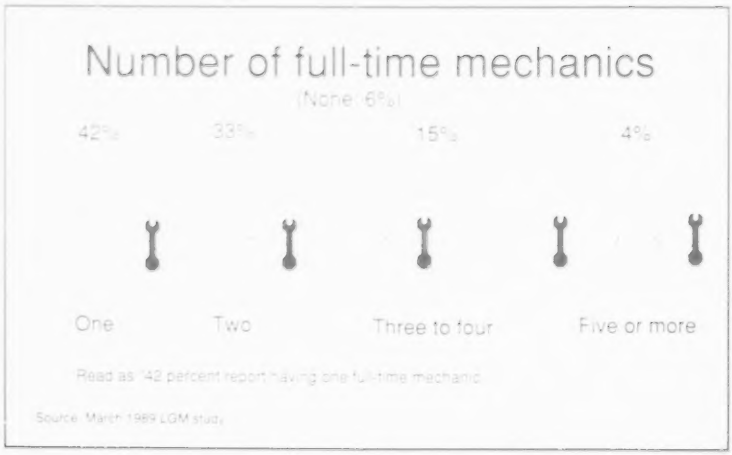
While many dealers service only the brands of equipment they sell, others have created different approaches.

Dean L. Little, owner, Dean's Repair, Creston, Iowa, says his shop services equipment purchased in his shop first and then equipment purchased elsewhere. In peak season, he takes only equipment sold by his shop for repair.

Sue Gaulke, owner, Speedway Sales & Service, Wauwatosa, Wis., says her shop gives a discount on repairs to customers who purchase their equipment from her.

The bottom line

Although respondents had their share of complaints about the industry, on the whole, most were satisfied to be in the business. While the drought has decreased sales of new equipment and prevented people from needing the equipment they already own, most dealers felt the future was looking up. As P. A. Dalle, vice president, Swing-In Mower, Roch, N.Y., put it, "Here's hoping 1989 is a better year." **—LGM**



Study analyzes biological pesticide market

The world market for natural pesticides could be worth $8 billion by the year 2000, according to a study from Frost & Sullivan. The microbiological and biochemical products would have to pass through governmental approval, gain market acceptance and work well in order to reach that figure.

Products that are now in the laboratory will have to face at least three to five years of testing before market release. However, the market for this type of pesticide could reach $2 billion in the United States in 15 years.

The chemical pesticide industry is growing at a slow rate due to a decline in prices, under cultivation of land and intensity of chemical pesticide use. The report advises companies interested in entering the biological market to develop expertise and technology in the area and to use strategic planning and research to market their products.

The report suggests that new products will come from several different technologies. Recombinant DNA techniques will give common microorganisms the ability to act as pesticides and disease suppressants. Bioprocessing will produce large quantities of pest controls at lower costs. Eventually, advances in cell biology will discover ways to make plants themselves more hearty and pest resistant.

Alternative insecticides and herbicides will include bacteria, viruses, fungi, other microorganisms and regulatory messenger-control chemicals.

For more information or to purchase the study, contact Frost & Sullivan, 106 Fulton St., New York, NY 10038, (212) 233-1080.

AAN to help slow global warming

The American Assn. of Nurserymen is leading a program to help stop the greenhouse effect. By planting trees, the Global ReLeaf program hopes to eliminate excess carbon dioxide created by burning fossil fuel. Bryan Corsini, AAN director of grower services, says that by planting in sites that are now available, "We can offset U.S. emissions of CO_2 by 18 million tons each year."

Retailers will be called on to distribute consumer information on planting, maintenance, global warming and the Global ReLeaf program.

Other program goals include: passage of the National Energy Policy Act; a halt to funding of deforestation projects; passage of Clean Air Act amendments to reduce pollutants that threaten forests; and increased research.

Retail study shows drought effects

The Garden Centers of America has finished a survey that determined the change in sales due to the drought. Twenty-eight percent of GCA members responded. The national average was down 12 percent. Wisconsin and Michigan were hardest hit, claiming a 25 percent drop in sales. Other states that reported a decline in sales of more than 10 percent include:

State	Percent impact on sales	State	Percent impact on sales
Michigan	-25%	Alabama	-15%
Wisconsin	-25%	California (Bay Area)	-13%
Missouri	-19%	Georgia	-13%
Kentucky	-18%	Indiana	-13%
Minnesota	-18%	Pennsylvania	-12%
New Jersey	-18%	West Virginia	-12%
Illinois	-17%	Maryland	-12%
Tennessee	-16%	Ohio	-11%

Source: Garden Centers of America 1989 membership survey

Briefs

• A new organization, the Canadian Sphagnum Peat Moss Assn., has been formed. Representatives from more than 15 companies met in late November to develop a plan to stimulate growth for their peat moss products in North America. Gerry Hood of Edmonton, Alberta, was elected president.

• Lance Mayer is the new natjonal sales manager for **Decor America Inc.**, Compton, Calif. Mayer will be responsible for sales management for housewares and gardenware.

• The new president of **Chevron Corp.** San Francisco, Calif., is John E. Peppercorn. He succeeds Robert W. Davis, who is retiring after 38 years of service. David J. O'Reilly will become senior vice president.

• Sheila Taylor has been named the western regional sales manager for **Rain Bird**, Glendora, Calif. She will be responsible for all sales, marketing and promotional activities in 19 western states.

• Ernie Hodas, president of Century Supply Corp., a Madison Heights, Mich.-based distributor of irrigation equipment and supplies, has been elected chairman of the board of The National Assn. of Wholesaler-Distributors.

• **Rubbermaid Inc.**, Wooster, Ohio, and **Sommer Allibert Ltd. Co.**, Paris, France, have agreed to form a joint venture to make and sell casual resin furniture. Rubbermaid-Allibert Inc. will distribute its products to specialty furniture dealers, the mass market and the contract market throughout North America.

• Russell H. Ireland Jr., John W. Braken and Thomas Courtright are new members of the board of directors of the American Assn. of Nurserymen. In other news, Lawrence E. Scovotto, AAN executive vice president, has been elected to the Small Business Legislative Council board of directors.

• C. Stephen Ramsey was promoted to vice president of sales and marketing for the scissors, hand tool and lawn/garden products group of **Fiskars Mfg. Corp.**, Wausau, Wis. He will be responsible for strategic direction and overall management of marketing and sales functions.

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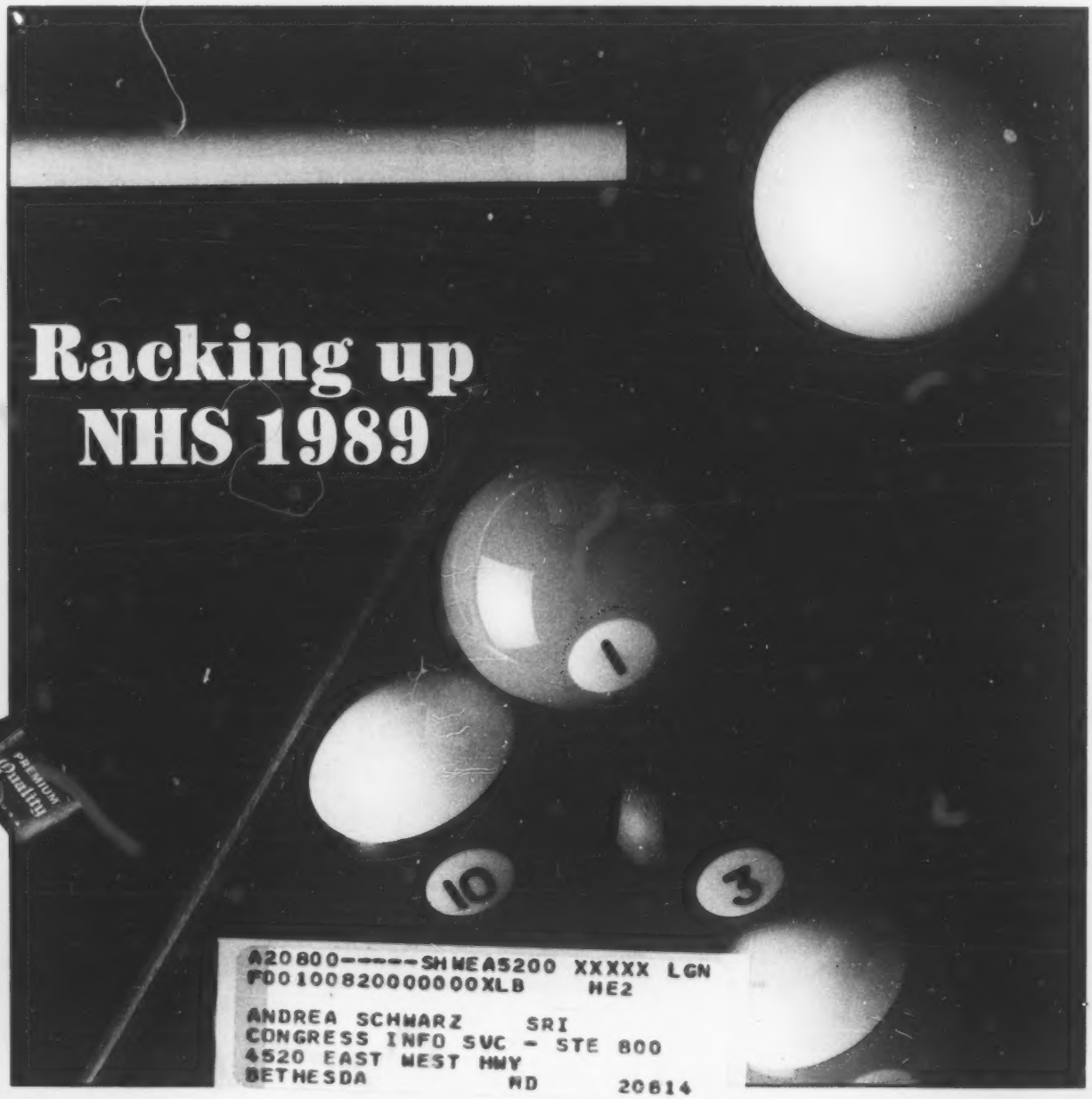
Lawn&Garden Marketing™

AUGUST 1989

An Intertec publication

Reports on: Soils and amendments

Drip irrigation • OPE retail sales



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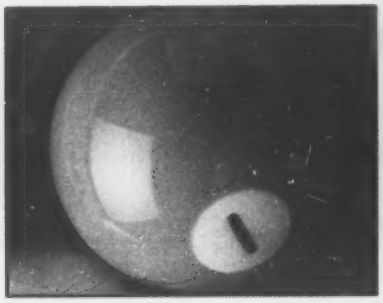

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Racking up NHS 1989

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Last year, you told us that spring/summer 1988 was a boom season for some products—like watering devices—but a bust season for other products—like lawnmowers. How did your 1989 spring/summer sales compare to those in 1988?. 9

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Did you know?

Thirty-eight percent of Southern homeowners enjoy larger front yards as opposed to backyards, while only 13 percent of Northern homeowners enjoy front yards more than backyards.

Source: Monsanto Co.

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Growth opportunities in soils and amendments

Is it possible to create some pizzazz about peat moss, put some punch into potting soil and generate some pep in perlite sales? These manufacturers think it is.

By Adele I. Rogers, *editorial contributor*

The soils and amendments category has not grown consistently over the last decade. Is it because manufacturers and retailers have neglected to merchandise there products or are consumers simply not buying?

According to a 1987 Kline & Co. survey, bagged soils averaged only a 3.1 percent annual dollar increase (less in units) since 1984; peat, a 2.9 percent increase; vermiculite 1 percent; and perlite saw no growth at all since 1984. In the meantime, 1988 saw a decrease in gardening—10 percent from 1987—according to the latest results of the National Gardening Assn./Gallup survey. Last summer's drought was cited as the main cause for this decline.

All the more reason for some pizzazz, punch and pep. And, all the more reason to reevaluate how soils and amendments should be merchandised and which products offer the most profit per square foot.

New strategies in merchandising, marketing

Many manufacturers are attempting to elevate the category beyond commodity status through attractive packaging, cross-selling and in-store education. There's also an effort to target the younger market, particularly first-time home owners. "This is an area of concentration for us," says Kerry Lee, director of marketing for **Fisons Western Corp.**, Vancouver, British Columbia. "We feel a need not only to educate the consumer on the benefits of our Sunshine brand, but to encourage more involvement in the activity. Even among the well-off, doing one's own gardening is the thing to do."

As sales of soil mixes and conditioners to seniors begin to flatten, it becomes essential to attract a younger generation. This is where education becomes key. Grandma knew what peat moss was used for and learned over the years the benefits of a soilless mix. But do busy, working couples understand?

Retailers, as well as manufacturers, must address these issues if they plan to see growth over the next couple of decades. Drawing more people into the activity and educating current gardeners that growing can be made easier, less time-consuming and more fun is a goal most marketers share. Jane McAlpine, national sales manager of W. Chicago, Ill.-based **Jiffy Products of America,** explains her firm's approach. "Jiffy-Pots, our new compressed Miracle Peat and other related growing systems not only provide a professional approach to gardening, but a modern and very easy and convenient one for today's consumer. These products not only generate consistent repeat purchases, they attract first time consumers into the category. And that's the key."

Four ways to sell more soil and amendments

1. Target the younger market.
2. Educate consumers about the differences between soilless mixes and top soils.
3. Sell quality over price—customers will continue to buy.
4. Merchandise soils and amendments together.

Consumer education is key

Overall, considerably more consumer education is required on soil mixes and amendments. Many gardeners are not aware of soilless vs. soil mixes, when to use peat instead of vermiculite or the differences among the various kinds of peat.

At **Grace Horticultural Products,** Cambridge, Mass., the frustration over the continued weak consumer awareness of the differences between soilless mixes and top soils persists. Grace was the originator of the "peatlite" mix and its line is now under the Peters label. "We want consumers to be successful in growing plants. The only sure way is with a professional, soilless mix," says Tom Kramer, manager of account sales. A typical such mix is comprised of peat moss, vermiculite, bark, perlite, charcoal, nutrients and other ingredients.

"We must make gardeners realize that while they may pay twice as much or more for a quality mix over a heavy bag of soil, it's far less expensive in the long run. A plant is only as good as the soil it's planted in, so why not use what pro growers use?"

This view is shared by many manufacturers of soilless mixes. "Unfortunately, about 80 percent of all potting soils sold is not in the high quality, soilless category," says Sheldon Lewis, vice president sales

continued...

for **Premier Brands Inc.,** New Rochelle, N.Y. "Price is the key reason, along with the misconception that a growing medium that is dark heavy and rich-looking must be good." New packaging that conveys an easy to understand, RTU message accompanied by spot market newspaper and radio ads will help promote the Premier brand this year.

Steve Liffers, national sales manager for **ASB Greenworld,** Somerset, N.J., also is amazed at the slow transition by consumers to soilless mixes. "A greenhouse grower would never think of using a soil-based mix. I don't understand why he doesn't promote soilless mixes to his customers. Not only will the consumer experience far better results, the retailer earns more profit and pays less freight."

Weighing the importance of price

ASB disagrees that price is important to the consumer. To prove this point, it conducted an in-store test. Equal amounts of its Heidi brand soilless mix priced at $2.99 and a brand of soil priced at 99 cents were stacked side by side. At the end of the test period, equal amounts of each had been sold.

Similarly, proving that consumers buy what retailers stock, **Clinton Nursery Products,** Clinton, Conn., in introducing its new Soilite brand, conducted a product test in a supermarket, one place where price is more likely to be a factor. "We replaced one for one all bags of cheap dirt with the most expensive Soilite soilless mix, monitored sales over a like selling period, and found absolutely no reduction in unit sales as a result," says Peter Richards, vice president and owner.

This same level of unit sales meant more than twice as much in dollar sales and profit. As Richards points out, "If this kind of success can occur in a supermarket, think what kind of increased sales and profits a lawn and garden dealer, who has the opportunity to educate [consumers] and who uses soilless mixes himself, can garner from dumping the dirt and selling the soilless."

Joe Raffaele, president of **Plantation Products,** S. Easton, Mass., believes that if nothing else, freight ought to be incentive enough for the trade to skew its business toward the soilless. Raffaele does, however, see a trend toward more consumer awareness and sales of high quality mixes, at least in the northeast where he serves.

A.H. Hoffman, Landisville, Pa., is so committed to quality, light-weight soilless mixes, it is adding to its line one that contains a water/fertilizer retention polymer ideal for hanging baskets. "We have also repackaged our mix and amendment line to better communicate the features and benefits of these products," says Bill Dittman, sales and marketing director.

Purchases by U.S. households

	1987		1988	
	%	million	%	million
Top soil	17	11.9	18	12.5
Peat moss/ soil amendments	14	9.8	23	15.9

Source: National Gardening Assn./Gallup Organization

Companies like **Michigan Peat,** Houston, offer choices. "There are a couple of niches and we can fill them," says Ron Hurt, marketing manager. "Our Baccto brand is full line, and we have a 40 year track record of providing premium quality products to meet many market demands."

With by far the largest share of the potting soil market and 22 warehouses, **Hyponex,** Atlanta, presents the other side of the story. Its strength lies with the mass-merchant and supermarket trades where turns are high and profit is made through volume. The vast majority of Hyponex potting soil sales are in the heavy, low-priced top soil mixes. And creative promotions, advertising and cross-selling keep the sales momentum strong. "We not only want to be known as the leading brand, but a company who contributes to the growth of the entire category," says Dave Slaybaugh, manager of editorial communications. "There are many consumers who buy gardening products on price, and obviously, Hyponex serves that market well."

Consumer education is challenge

Educating the consumer on amendments (or conditioners) is another challenge. The predominant product is peat, which acts primarily as a water retention vehicle and provides aeration. Vermiculite has similar properties and can be used alone to start seeds. Perlite is used to aerate soil.

There are several classifications of peat, but peat moss is the preferred type for gardening, and Canadian sphagnum peat moss dominates the category. "Many consumers are not quite sure why they should amend Mother Nature's soil," says Steve Jarahian, general manager of **Fafard,** Anderson, S.C. "They've watched their parents do it, so they follow; but I think we all can increase sales through more education at store level."

This sentiment is shared by many of the potting soil companies cited above who also market amendments. As Grace's Tom Kramer points out, "If a consumer is not willing to pay for higher-priced soilless mixes, then at least she should compromise by buying a vermiculite to amend the soil she uses."

Southern Importers, Greensboro, N.C., and **Lambert Peat Moss,** Quebec, two leaders in peat moss sales, hope that improved packaging will generate excitement. The Canadian Sphagnum Peat Moss Assn. plans to embark on a publicity campaign in the United States to increase awareness of Canadian sphagnum peat moss and educate the consumer on its uses.

The retailer's role in sales

What can retailers do to spark sales? Consider Frank's Nursery's approach. It has hired a horticultural expert for each store to educate and promote. Even Wal-Mart has recognized the value of gardening education and is making this tool an important part of its merchandising.

The key message—cross-sell. Place a bag of perlite next to the top soil, or a bag of soilless mix next to a potted plant or a package of Jiffy-7s next to the seeds.

Don't be afraid of price, nor of change. Consumers will buy what you recommend. When it comes to potting soil, dark, dirty and heavy does not mean healthy plants—nor healthy margins. You don't need a calculator to figure that 40 percent of $2.99 enhances the bottom line a lot faster than 40 percent of 99 cents. Even if you're not successful in increasing unit sales, you're still much further ahead in dollar sales. So think pizzazz, punch, pep and profits! **—LGM**

Adele Rogers has spent more than half her career in the lawn and garden industry. She was marketing manager for Peters plant care products with W. R. Grace & Co. and vice president, U.S. operations for Safer Inc., where she mainstreamed natural pesticides. She has sat on several industry association boards and currently provides consultation services for manufacturers. She can be reached at (603) 382-5888.

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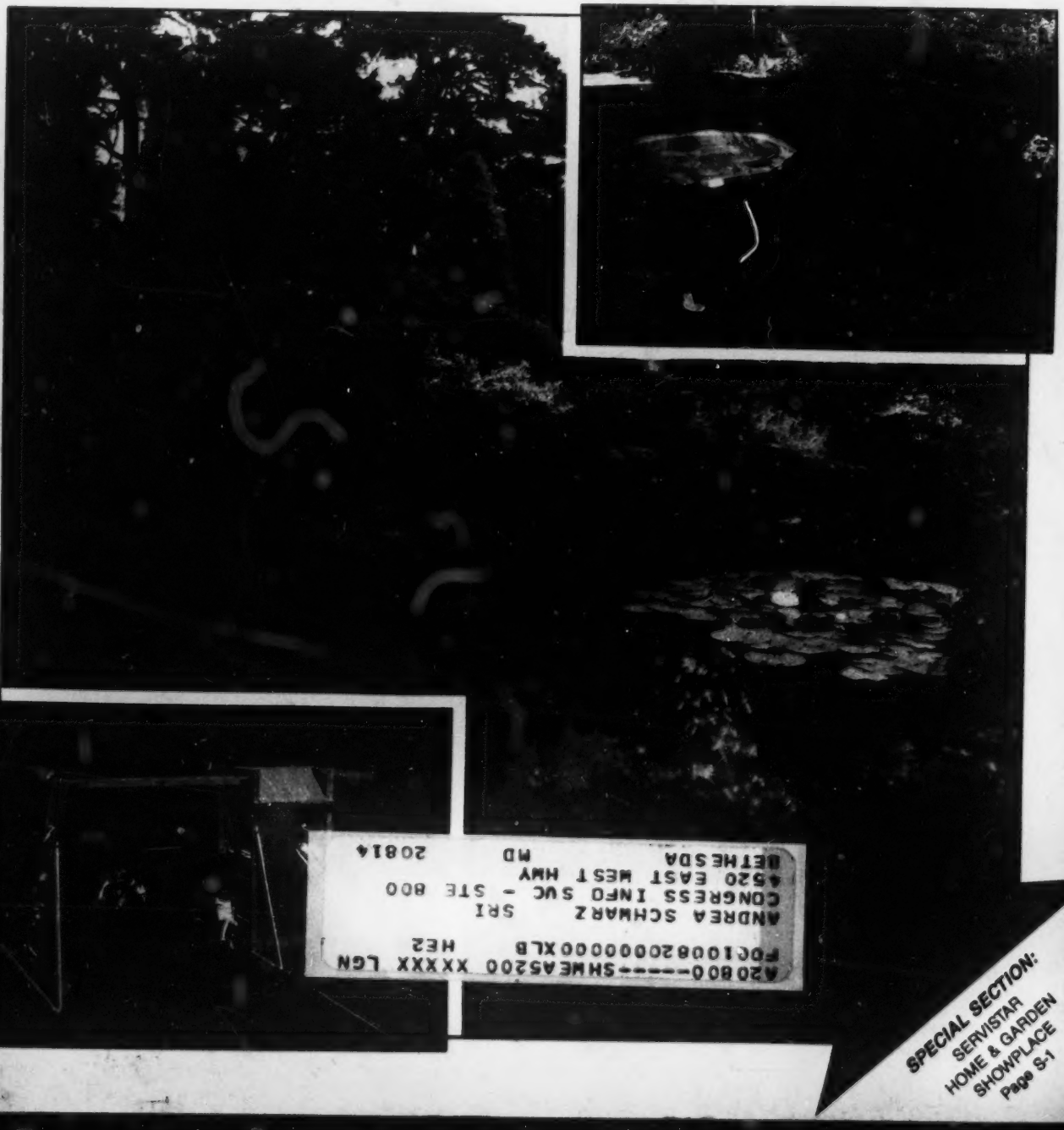
Cover story: Outdoor DIY project kits

Spark plugs' design • NLGDA annual meeting



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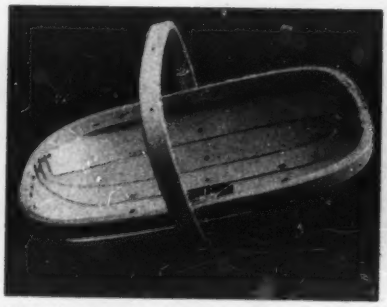

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Distributors,manufacturers exchange ideas

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"From the Editor" photo and cover photo of deck by Kevin Anderson. Play center photo on cover courtesy of Creative Playthings Ltd.; water pond photo on cover courtesy of Lotus of America Inc.

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1990 inventory/sales plans. Annually in the November/December Market Data issue, *Lawn & Garden Marketing* reports how the lawn and garden industry has fared in the previous year and projects how the industry will fare in the coming year. What are your strategies, opinions and projections for 1990?. 25

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Did you know?

Fifty-four percent of Americans say mowing the lawn is "risky."

Source: Louis Harris & Associates

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Californians account for 11 percent of total L&G sales

According to a recent study by the University of California Cooperative Extension department, Californians purchased $2 billion worth of lawn and garden products in 1988. Total sales of lawn and garden products nationwide reached an estimated $18 billion, according to the study.

Titled "Marketing Study of California Lawn and Garden Consumers," the study is based on the responses to a written questionnaire mailed to 1,000 randomly selected households—a 22.2 percent response rate was obtained.

When asked to rank the reasons they garden, more than 48 percent of the respondents ranked "beautification or decorative value" No. 1; more than 25 percent ranked "increase property value" No. 1. "Hobby" was the third most often mentioned No. 1 reason to garden.

Of the 9.5 percent who do not garden, 50 percent said they don't have a yard. Twenty percent said they weren't interested in gardening, and 20 percent said they don't have time to garden.

The respondents had a definite opinion on where they preferred to purchase their garden supplies; 57 percent said they had a favorite place to shop. Of those who had a preference, 62 percent said a full-service garden center was their favorite place to shop. Hardware/home improvement was the second favorite with 21 percent of the respondents preferring to shop there. Only 10 percent preferred shopping at discount/department stores.

Survey results showed that those respondents who preferred to shop at full-service garden centers were more likely to cite quality and knowledgeable salespeople as reasons to shop there. They also were less likely to mention price as a reason to shop at a garden center.

California gardeners didn't travel far when going to buy garden supplies. Most—35 percent—travel more than one mile but no further than three miles to make their purchases. Twenty-five percent said they travel more than three miles but less than five. Only 8 percent said they travel more than 10 miles.

The study sells for $10; shipping and handling is included. For more information or to request a copy contact, U.C. Cooperative Extension, 21150 Box Springs Road, Moreno Valley, CA 92387-8708, (714) 683-6491.

Security awards innovative marketing

Security Products Co., Atlanta, presented its first President's Awards.

The winners were announced at the National Hardware Show® in August. They are Woolworth Garden Centers, Burlingame, Calif., which operates 27 garden centers in California; Farmland Industries, Kansas City, Mo., which services 2,200 independent cooperatives; Caldwell Supply, a distributor to the Northeast region; Cal-Liquid, Pasadena, Calif., which distributes products in Southern California; and Pennington Seed, Orlando, Fla., which services 2,400 retail accounts.

All these marketers have shown innovative ways to increase the sales of Security products in their regions.

Colored mulches improve plants' growth

According to a report in *American Horticulturist*, United States Department of Agriculture researchers have found that the color of mulch can affect plant growth. The effects of white, yellow, red and blue mulches were measured. The different colors caused changes in yield, leaf shape, stem growth and rooting.

For example, tomatoes grown on red mulch had a 20 percent greater yield than those grown on black plastic. Bell peppers and potatoes grown on white mulch produced more than their counterparts on the other colors of mulch.

While mulches have many benefits, including weed prevention and moisture retention, colored mulches may improve overall plant growth.

Briefs

• The Lawn & Garden Dealer's Assn. has signed an agreement with MCI Telecommunications so that members can receive a discount on their long distance calls. LGDA also offers a low rate for processing Visa and MasterCard. For more information, contact LGDA, P.O. Box 54820, Tulsa, OK 74155-0820, (918) 496-2725.

• Lee Mitchell has been elected president of the American Assn. of Nurserymen. He started his own landscaping business in 1959. He formerly represented AAN's region VI.

• Matthew L. Drozdoff has been appointed vice president and general manager of **Colorite Plastics Co.**, Ridgefield, N.J. He will oversee manufacturing, marketing, sales, distribution and customer service in all the company's locations.

• *Inc.* magazine recently honored Apopka, Fla.-based **Weathashade Corp.**, manufacturer of outdoor garden fabrics, as one of the 500 fastest growing, privately held companies in 1988. To qualify, a company's 1983 sales must have been no less than $100,000 and no more than $25 million. The ranking is based on a percentage increase in sales over the five year period.

Gardening topics of interest to consumers

The percentage of California consumers who are interested in learning more about these gardening activities and topics:

Topic/Activity	Percent	Topic/Activity	Percent
Flower gardening	59.5	Insects/bug problems	52.5
Lawn care	45.5	Weed control	45.0
Container plants	38.0	Plant diseases	41.0
Fruit trees or berry plants	35.0	Fertilizers	31.5
Vegetable gardening	34.0	Irrigation	28.0
Ornamental trees or shrubs	25.0	Safe use of pesticides	25.0

Source: University of California Cooperative Extension study